

Mr. MAY: Committee on Military Affairs. H. R. 10193. A bill to authorize the President, when the public interest render such course advisable, to detail any civilian employee of the United States Government to temporary duty with the government of any American Republic or the Commonwealth of the Philippine Islands, and for other purposes; with amendment (Rept. No. 2167). Referred to the Committee of the Whole House on the state of the Union.

Mr. BLAND: Committee on Merchant Marine and Fisheries. H. R. 10315. A bill to amend the Merchant Marine Act, 1936, to further promote the merchant marine policy therein declared, and for other purposes; with amendment (Rept. No. 2168). Referred to the Committee of the Whole House on the state of the Union.

REPORT OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. LESINSKI: Committee on Invalid Pensions. H. R. 10332. A bill granting pensions and increase of pensions to certain widows, former widows, and helpless and dependent children of soldiers, sailors, and marines of the Civil War; with amendment (Rept. No. 2164). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. KING: A bill (H. R. 10333) to authorize an appropriation for the purpose of establishing a national cemetery at Honolulu, Territory of Hawaii; to the Committee on Military Affairs.

By Mr. LUTHER A. JOHNSON: A bill (H. R. 10334) to extend for 2 additional years the 3½-percent interest rate on certain Federal land-bank loans, and to provide for a 4-percent interest rate on land-bank commissioner's loans for a period of 2 years; to the Committee on Agriculture.

By Mr. SIROVICH: A bill (H. R. 10335) to amend section 301 of the Merchant Marine Act of 1936; to the Committee on Merchant Marine and Fisheries.

By Mr. BULWINKLE: A bill (H. R. 10336) to impose a duty on nepheline syenite; to the Committee on Ways and Means.

By Mr. BLAND: A bill (H. R. 10337) to amend title VI of the Merchant Marine Act, 1936, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. BULWINKLE: Resolution (H. Res. 467) to create a select committee to investigate the desirability of consolidating agencies of the Government concerned with transportation; to the Committee on Rules.

By Mr. BLAND: Resolution (H. Res. 468) for the consideration of H. R. 10315; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BOLAND of Pennsylvania: A bill (H. R. 10338) for the relief of Joseph Kenney; to the Committee on Military Affairs.

By Mr. LESINSKI: A bill (H. R. 10339) for the relief of Isaac Friedlander; to the Committee on Immigration and Naturalization.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

4885. By Mr. BUCK: Assembly Joint Resolution No. 6 of the State Legislature of California, relative to Federal tax on oil; to the Committee on Ways and Means.

4886. Also, Senate Joint Resolution No. 5 of the State Legislature of California, relative to House bill 9256; to the Committee on Ways and Means.

4887. Also, Senate Joint Resolution No. 7 of the State Legislature of California, relative to provision of all necessary aids to night air navigation; to the Committee on Interstate and Foreign Commerce.

4888. Also, Assembly Joint Resolution No. 15 of the State Legislature of California, relative to aliens in America; to the Committee on Immigration and Naturalization.

4889. Also, Assembly Joint Resolution No. 5 of the State Legislature of California, relative to Federal funds for flood relief; to the Committee on Appropriations.

SENATE

THURSDAY, APRIL 21, 1938

(Legislative day of Wednesday, April 20, 1938)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Wednesday, April 20, 1938, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries.

CALL OF THE ROLL

Mr. LEWIS. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Davis	Johnson, Colo.	Pope
Andrews	Dieterich	King	Radcliffe
Ashurst	Donahay	La Follette	Reames
Austin	Duffy	Lee	Reynolds
Bailey	Ellender	Lewis	Russell
Bankhead	Frazier	Lodge	Schwollenbach
Barkley	George	Logan	Sheppard
Berry	Gerry	Lougan	Shipstead
Bilbo	Gibson	Lundeen	Smathers
Bone	Gillette	McCarran	Smith
Borah	Glass	McGill	Thomas, Okla.
Brown, Mich.	Green	McKellar	Thomas, Utah
Brown, N. H.	Guffey	McNary	Townsend
Bulkeley	Hale	Maloney	Truman
Bulow	Harrison	Miller	Tydings
Burke	Hatch	Minton	Vandenberg
Byrd	Hayden	Murray	Van Nuys
Byrnes	Herring	Neely	Wagner
Capper	Hill	Norris	Walsh
Caraway	Hitchcock	Nye	Wheeler
Chavez	Holt	O'Mahoney	White
Connally	Hughes	Overton	
Copeland	Johnson, Calif.	Pittman	

Mr. LEWIS. I announce for the RECORD that the Senator from Missouri [Mr. CLARK], the Senator from California [Mr. McADOO], the Senator from New Jersey [Mr. MILTON], and the Senator from Florida [Mr. PEPPER] are detained from the Senate on important public business.

The Senator from Wyoming [Mr. SCHWARTZ] is unavoidably detained.

I request that this announcement stand for the day.

Mr. AUSTIN. I announce that the Senator from New Hampshire [Mr. BRIDGES] is necessarily absent.

The VICE PRESIDENT. Ninety Senators have answered to their names. A quorum is present.

ORDER FOR RECESS TO MONDAY

Mr. BARKLEY. Mr. President, I ask unanimous consent that when the Senate concludes its business today it stand in recess until noon on Monday next.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

PETITION

The VICE PRESIDENT laid before the Senate a resolution adopted by the Veterans' Relief Commission of Madison County, Ill., favoring the enactment of legislation to provide sufficient Public Works projects necessary to give work to

veterans and other citizens who are out of employment, which was referred to the Committee on Education and Labor.

GAMBLING IN WHEAT FUTURES AND PROCESSING TAXES—PETITION

Mr. CAPPER. Mr. President, I desire to read to the Senate the following petition, signed by C. C. Frevert and 104 other prominent farmers and citizens, of Holyrood, Kans., relating to gambling in wheat futures and processing taxes to enable the Department of Agriculture to make the parity payments provided in the Agricultural Adjustment Act of 1938:

We the undersigned farmers and citizens of Holyrood, Kans., and vicinity, urge you to take the proper steps to stop gambling in grain futures. We feel that if these gamblers have money with which to do this, let them set up gambling houses, but forbid them to use the farmers' products.

We further urge you to see to it that parity prices for wheat may be made effective by a processing tax, or provide the necessary funds for the same. Farmers cannot exist on 50-cent wheat when the parity price is \$1.15. We feel that the parity price in our new farm bill is an empty promise or a cruel joke.

I find myself in agreement with these petitioners. I ask that the petition itself be referred to the Committee on Agriculture and Forestry.

The VICE PRESIDENT. The petition will be received and referred to the Committee on Agriculture and Forestry.

REPORTS OF COMMITTEES

Mr. ADAMS, from the Committee on Public Lands and Surveys, to which were referred the following bills and joint resolution, reported them severally with an amendment and submitted reports thereon:

S. 1694. A bill authorizing the Secretary of War to convey to the town of Montgomery, W. Va., a certain tract of land (Rept. No. 1626);

H. R. 6652. A bill to provide for the administration and maintenance of the Natchez Trace Parkway, in the States of Mississippi, Alabama, and Tennessee, by the Secretary of the Interior, and for other purposes (Rept. No. 1627); and

S. J. Res. 243. Joint resolution to provide for the transfer of the Cape Henry Memorial site in Fort Story, Va., to the Department of the Interior (Rept. No. 1628).

Mr. O'MAHONEY, from the Committee on Public Lands and Surveys, to which was referred the bill (H. R. 4852) to provide for the creation of the Saratoga National Historical Park in the State of New York, and for other purposes, reported it with amendments and submitted a report (No. 1629) thereon.

Mr. SHEPPARD, from the Committee on Military Affairs, to which was referred the bill (S. 3843) to remove certain inequitable requirements for eligibility for detail as a member of the General Staff Corps, reported it without amendment and submitted a report (No. 1630) thereon.

Mr. PITTMAN, from the Committee on Foreign Relations, to which were referred the following joint resolutions, reported them each without amendment and submitted reports thereon:

S. J. Res. 284. Joint resolution to authorize an appropriation for the expenses of participation by the United States in the Third Pan American Highway Conference (Rept. No. 1631); and

S. J. Res. 285. Joint resolution to authorize and request the President of the United States to invite the International Union of Geodesy and Geophysics to hold its seventh general assembly in the United States during the calendar year 1939, and to invite foreign governments to participate in that general assembly; and to authorize an appropriation to assist in meeting the expenses necessary for participation by the United States in the meeting (Rept. No. 1632).

Mr. PITTMAN also, from the Committee on Foreign Relations, to which was referred the bill (S. 3804) authorizing the temporary detail of United States employees possessing special qualifications to governments of American republics and the Philippines, and for other purposes, reported it with amendments and submitted a report (No. 1633) thereon.

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EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

Mr. SHEPPARD, from the Committee on Military Affairs, reported favorably the nominations of sundry officers for appointment, by transfer or promotion, in the Regular Army.

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of several postmasters.

Mr. HUGHES, from the Committee on the Judiciary, reported favorably the nomination of Michael F. L. Walsh, of New York, to be United States attorney for the eastern district of New York, vice Leo J. Hickey, deceased.

Mr. THOMAS of Utah, from the Committee on Foreign Relations, reported favorably, with a reservation, Executive W, Seventy-fifth Congress, first session, draft convention (No. 54) concerning annual holidays with pay for seamen, adopted by the International Labor Conference at its twenty-first session held at Geneva, October 6-24, 1936, and submitted a report (Ex. Rept. No. 5) thereon.

The VICE PRESIDENT. The reports will be placed on the Executive Calendar.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SMATHERS:

A bill (S. 3877) to provide for a more effective and economical administration of the laws relating to banking institutions; to provide a self-sustaining agency of the Federal Government, independent of any conflicting interest, to examine and supervise banking institutions; to facilitate the maintenance of the merit system and to develop a career service within such agency; to provide for the insurance of deposits in banks; and for other purposes; to the Committee on Banking and Currency.

By Mr. GLASS:

A bill (S. 3878) for the relief of William Armstrong Holladay; to the Committee on Finance.

By Mr. BULOW (by request):

A bill (S. 3879) to amend sections 6 and 7 of the act entitled "An act for the retirement of employees of the Alaska Railroad, Territory of Alaska, who are citizens of the United States," approved June 29, 1936; to the Committee on Civil Service.

By Mr. TRUMAN:

A bill (S. 3880) for the relief of Jesse Claud Branson; to the Committee on Claims.

A bill (S. 3881) granting a pension to Anna Hindman; to the Committee on Pensions.

By Mr. BANKHEAD:

A bill (S. 3882) amending the act authorizing the collection and publication of cotton statistics by requiring a record to be kept of bales ginned by counties; to the Committee on Agriculture and Forestry.

By Mr. SMITH:

A bill (S. 3883) to prohibit the exportation of tobacco seed and plants except for experimental purposes; to the Committee on Agriculture and Forestry.

By Mr. SHIPSTEAD (by request):

A bill (S. 3884) relating to the determination and payment of certain claims against the Government of Mexico; to the Committee on Foreign Relations.

By Mr. HITCHCOCK:

A bill (S. 3885) to extend for 2 additional years the 3½-percent interest rate on certain Federal land-bank loans, and to extend for 2 additional years the period during which installments of the principal portions of certain of such loans may be deferred; to the Committee on Banking and Currency.

By Mr. DUFFY:

A bill (S. 3886) for the relief of Otis M. Culver, Samuel E. Abbey, and Joseph Reger; to the Committee on Military Affairs.

By Mr. SHEPPARD:

A bill (S. 3887) to amend the retirement law of April 23, 1904; to the Committee on Military Affairs.

By Mr. BYRD:

A bill (S. 3888) for the relief of Charles L. Kee; to the Committee on Naval Affairs.

AMENDMENT TO AGRICULTURAL DEPARTMENT APPROPRIATION BILL

Mr. DAVIS submitted an amendment intended to be proposed by him to the bill (H. R. 10238) making appropriations for the Department of Agriculture and for the Farm Credit Administration for the fiscal year ending June 30, 1939, and for other purposes, which was referred to the Committee on Appropriations and ordered to be printed, as follows:

On page 45, line 4, to strike out "\$638,403" and insert "\$678,403."

GOVERNMENT-INSPIRED PROPAGANDA—ADDRESS BY SENATOR HOLT

[Mr. HOLT asked and obtained leave to have printed in the RECORD a radio speech delivered by him on April 18, 1938, on the subject Government-Inspired Propaganda, which appears in the Appendix.]

CONSTRUCTIVE PROGRAM OF PUBLIC HEALTH—ARTICLE BY JOSEPH F. THORNING

[Mr. WALSH asked and obtained leave to have printed in the RECORD an article by Joseph F. Thorning, Ph. D., of Mount St. Mary's College, Emmitsburg, Md., entitled "A Constructive Program of Public Health," which appears in the Appendix.]

THE EXECUTIVE POWER—ADDRESS BY COL. O. R. M'GUIRE

[Mr. LOGAN asked and obtained leave to have printed in the RECORD an address delivered by Col. O. R. McGuire at the annual meeting on April 19, 1938, in Washington, D. C., of the Sons of the American Revolution, on the subject the Executive Power in the Federal Government, which appears in the Appendix.]

CHRISTIAN FAITH AND NATIONAL DEFENSE

[Mr. LOGAN asked and obtained leave to have printed in the RECORD an editorial published in the Western Recorder of April 14, 1938, on the subject Christian Faith and National Defense, which appears in the Appendix.]

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8993) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1939, and for other purposes.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9544) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1939, and for other purposes, that the House receded from its disagreement to the amendments of the Senate Nos. 14 and 15 to the said bill and concurred therein, and that the House receded from its disagreement to the amendment of the Senate No. 51 to the bill and concurred therein with an amendment, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled bill (S. 3590) to amend an act entitled "An act for making further and more effectual provision for the national defense, and for other purposes," approved June 3, 1916, as amended by the act of June 4, 1920, so as to make available certain other officers for General Staff duty, and it was signed by the Vice President.

INSURANCE OF TAXICABS IN THE DISTRICT OF COLUMBIA—CONFERENCE REPORT

Mr. TYDINGS submitted the following report, which was ordered to lie on the table:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7084) to provide that all cabs for hire in the District of Columbia be compelled to carry insurance for the protection of passengers, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 1, 3, 4, 5, 7, 8, 9, 11, 12, 14, 15, 16, 17, and 18, and agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment as follows: In addition to the matter proposed to be stricken out by the Senate amendment, on page 2, line 7, of the House bill strike out "surety or"; and the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment as follows: In addition to the matter proposed to be stricken out by the Senate amendment, on page 2, line 17, of the House bill strike out "bond or undertaking or"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment as follows: On page 2, line 15, of the Senate engrossed amendments strike out "at" and insert "and"; and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment as follows: On page 3, line 13, of the House bill strike out "twenty" and insert "ten"; and on page 3, line 14, of the House bill, strike out "or termination"; and the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

"Sec. 3. Any corporation, company, association, joint-stock company or association, partnership or person, and any lessee, trustee or receiver, who violates any of the provisions of this Act, or the regulations lawfully promulgated thereunder, shall, upon conviction, be punished by a fine of not more than \$300 or by imprisonment for not more than ninety days, and by cancellation of license. For violations of this Act, the Commissioners of the District of Columbia are authorized to suspend or revoke licenses issued under paragraphs 31 (c), (d) and (e) of section 7 of the Act entitled 'An Act making appropriations to provide for the government of the District of Columbia for the fiscal year ending June 30, 1903, and for other purposes', approved July 1, 1902, as amended; and any such suspension or revocation may be without prior conviction."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title of the bill, and agree to the same.

M. E. TYDINGS,
HERBERT E. HITCHCOCK,
H. STYLES BRIDGES,

Managers on the part of the Senate.

VINCENT L. PALMISANO,
JACK NICHOLS,

Managers on the part of the House.

NAVAL EXPANSION PROGRAM

The Senate resumed the consideration of the bill (H. R. 9218) to establish the composition of the United States Navy, to authorize the construction of certain naval vessels, and for other purposes.

Mr. NYE. Mr. President, when the hour of 2 o'clock arrived yesterday and the Senate, by agreement, entered upon proceedings in tribute to the late Senator Robinson, I was engaged in an argument whereby I was undertaking to demonstrate what the Congress might do without cost to the Public Treasury to accomplish a larger and more adequate national defense than we now have. I was trying to make the point that we are subjected in the name of national defense to influences which look upon national defense as being primarily an instrument for their profit. I had revealed some few instances demonstrating how the Public Treasury is made the plunder chest for some interests and some men whenever the Treasury is opened in the name of national defense.

I was engaged when the hour of 2 o'clock was reached yesterday in reading from a letter which had been addressed to his board of directors by Mr. C. L. Bardo on June 22, 1933. He wrote this letter here in Washington, where he had been for some weeks negotiating in connection with the bids which had been invited for naval construction under the Public Works program. I had read two paragraphs from his letter, and I think, Mr. President, for the purpose of my argument today, I should read those two paragraphs from his letter, even though they constitute repetition:

I know from my talks with some of the representatives of the Navy who are keenly interested in this work that they are desirous of finding some substantial reasons for awarding this work to the largest possible extent to private yards upon whom they must rely for the necessary engineering to complete the ships.

There was also expressed to us the desire that the builders themselves should get together and agree as far as we could upon what each would bid and then bid on nothing else. The situation as it stands now is substantially as follows—

Again I repeat, Mr. President, when I call the attention of the Senate to the fact that here was the responsible president of a great corporation writing to his board of directors revealing to them that representatives of the Navy were working with them to avoid any of this new construction work being awarded to the Government's own shipbuilding yards, and advising his board of directors that the same naval authorities had expressed a desire that the shipbuilders get together on their bidding and avoid serious competition with one another.

Mr. PITTMAN. Mr. President, will the Senator yield for a question?

Mr. NYE. I gladly yield.

Mr. PITTMAN. Am I right in my memory that on yesterday, in response to a question from the Senator from Massachusetts, the Senator from North Dakota stated that Admiral Standley and other naval officers referred to had been invited before the committee with regard to this matter?

Mr. NYE. No; as the question was put I do not think it directly inquired whether Admiral Standley himself had been invited before the committee, but there were authorities in the Navy Department at the time who did answer the charges that were involved in those communications.

Mr. PITTMAN. Was Admiral Standley invited before the committee and given an opportunity either to admit or to deny the statements in that letter written by this lobbyist to his board of directors?

Mr. NYE. Mr. President, at the time this particular inquiry was under way, Admiral Standley was connected with the Navy Department here. As fast as the hearings were held and printed, proof sheets were invariably sent to the Navy Department. Somehow, I am impressed at the moment that they were addressed personally to Admiral Standley, the understanding being prevalent at the time that the Navy would be constantly on notice as to what the charges were, and would always be expected to have representatives appear and respond if there were developments to which they wanted to respond. Some weeks, perhaps months, after that, there was entered in the record the disclosure that as these proof sheets reached the Navy Department no attention was paid to them. Someone in the Navy Department testified that no particular attention had been paid to them.

Mr. PITTMAN. What I wish to know is whether or not a committee of the Senate is interested in the honor and reputation of one of the highest officers of the Navy.

Mr. NYE. Yes; of course we are interested, and we wanted to give every one of them a chance to be heard, and they had such chance.

Mr. PITTMAN. And yet the committee heard a lobbyist whom the Senator now condemns; they incorporated in the record a private letter from him to his board of directors, and did not invite one of the highest admirals of the Navy

before the committee and give him an opportunity to answer the lobbyist.

Mr. NYE. If the Senator is suggesting that in any degree the door was closed to Admiral Standley or any one else to come before the committee and respond to the charges that were made in the hearings, he is wholly misinformed and mistaken, because we welcomed and we invited and we urged the Department to maintain representatives there who could keep their superiors advised as to what was developing, and enable them to be heard whenever there was desire on their part to be heard.

Mr. PITTMAN. It is not a question of closing the door. It is a question of the attitude of a committee which is now attacking one of the highest admirals in our Navy, a man of high reputation and honor, on the strength of a letter written by a man whom I think the Senator holds to be a contemptible lobbyist; does he not?

Mr. NYE. No; this letter was not written by a lobbyist. The letter was written by the president of the New York Shipbuilding Co. to his board of directors in New York.

Mr. PITTMAN. And the Senator does not consider that the character of the letter indicated that he was a lobbyist, or worse than a lobbyist?

Mr. NYE. I certainly would hold no brief for Mr. C. L. Bardo, from what we know to have been his practice and his pursuit in efforts to obtain contracts with the Government for this naval construction work; not for 1 minute.

Mr. PITTMAN. The letter practically charges a conspiracy, does it not, between the man who wrote the letter and officers of the Navy Department?

Mr. NYE. The president of the New York Shipbuilding Co. practically charges conspiracy; yes.

Mr. PITTMAN. And yet the committee never invited before it the admiral to whom reference has been made—a man who stood high in the Government service and a man of high reputation—to give him an opportunity to condemn those men as liars?

Mr. NYE. This occurred 2 years ago. I shall make it a point to check and ascertain just what was done at that time, and whether or not Admiral Standley himself was urged to come before the committee. At the moment I am unprepared to state what the fact is.

Nevertheless, we find the president of the New York Shipbuilding Co. doing what the Senator from Nevada indirectly charges, namely, publicizing what amounts to a conspiracy to which he himself was a party. In this letter to his board of directors, in which he pointed out that the Navy was urging the shipbuilders to get together, he undertook to guess what the result would be in awarding the contracts 10 days later, when the bids were opened.

Mr. CONNALLY. Mr. President, will the Senator yield for a question?

Mr. NYE. I yield to the Senator from Texas.

Mr. CONNALLY. Does the Senator from North Dakota approve Mr. Bardo, to whom he has referred? Does he think he is a man of integrity and honor?

Mr. NYE. I do not entertain any degree of respect for men who have been demonstrated to have acted as Bardo and other shipbuilders acted when it came to looting the Treasury in the name of national defense.

Mr. CONNALLY. In other words, the Senator, in effect, considers him a conspirator and a crook, does he not?

Mr. NYE. I do not say that.

Mr. CONNALLY. That is the trend of the Senator's remarks; yet he is willing to take the unsworn statement in a letter of that kind of a man, according to his estimation, and conclude, on the statement of such a man, that the naval officers are all conspirators and dishonest men. Is not that true?

Mr. NYE. It may be of interest to the Senator from Texas to know that Mr. Bardo, as a witness before the committee, identified this letter and acknowledged having written it.

Mr. CONNALLY. Certainly; but the conclusion is, according to the Senator himself, that Mr. Bardo is a conspirator and a man who is trying to loot the Treasury; and yet, on the strength of a letter written by that kind of a man, the Senator from North Dakota is willing to condemn all the naval officers and charge them with conspiracy. The RECORD of yesterday shows what the Senator from North Dakota said about the matter.

Mr. NYE. I desire to suggest to the Senator that there was adequate publicity of this development at the time; that everyone in the Navy Department had every chance to know what the charges were, and had every chance to appear and deny them if they chose, but they did not choose to do so.

Mr. CONNALLY. The Senator from North Dakota is not fair to officers of the Navy or anyone else if he depends upon their relying upon all the publicity that emanated from the Senator's Committee on Munitions, or whatever it was. The chief activity of the committee, so far as the public could draw any conclusions, was a campaign of publicity. If the Senator really believed that these naval officers were guilty of a conspiracy, if he really believed the statements made about them by this Mr. Bardo, who he says is a scoundrel, he ought to have summoned the naval officers and given them an opportunity to refute the insinuations and slanders of Mr. Bardo.

Mr. NYE. If I had been in the position of any of the naval officers who were involved in these allegations, I am sure that upon learning that the allegations were of record I should have sought opportunity to be heard before the committee.

Mr. CONNALLY. And yet the Senator, under a solemn appointment of the Senate, was chairman of a committee dealing with men's reputations and characters. Does he not regard it as part of his duty in a case of that kind to see that unfounded and unwarranted charges are not made, or, if they are made, that those who are attacked shall have an opportunity to defend themselves and clear their records? Has the Senator no responsibility in the premises?

Mr. NYE. Mr. President, there was no contention that these charges were unfounded and without basis in fact.

Mr. CONNALLY. No one had an opportunity to make such a contention. The Senator accepted the charges at face value.

Mr. NYE. Mr. President, I again make the point that day after day while the hearings were pending there sat with the committee a representative of the Navy Department whose job it was to keep his superiors informed as to what was developing, whose task it was to aid the committee if he could do so. There never was any request to be heard in response to the charge which Mr. Bardo made in this letter which he himself, as a witness before the committee, acknowledged having written.

Mr. CONNALLY. Mr. President, will the Senator yield again?

Mr. NYE. I yield to the Senator from Texas.

Mr. CONNALLY. Did the committee have Mr. Bardo before it?

Mr. NYE. The committee had Mr. Bardo before it.

Mr. CONNALLY. Did the Senator from North Dakota ask Mr. Bardo who were the individuals who were referred to in his letter?

Mr. NYE. His letter named them.

Mr. CONNALLY. The Senator knows whether or not he did that?

Mr. NYE. Yes.

Mr. CONNALLY. He did ask him?

Mr. NYE. That is right.

Mr. CONNALLY. But he did not ask them?

Mr. NYE. They were not asked. They had the chance to come and deny the charges which had been made.

Mr. President, in this letter written by Mr. Bardo to his board of directors he undertook to guess what the result would be when the bids were opened 10 days later by the Navy Department, just what the division would be among

the three big shipbuilding companies which had been operating together. I quote again from Mr. Bardo's letter:

Newport News: The two airplane carriers, which, while not duplicates of the *Ranger*, but of similar type.

Bethlehem: The 10,000-ton, 8-inch cruiser, a duplicate of the ship which they are now building.

New York Ship: A new 10,000-ton, 6-inch cruiser and a distribution of the eight destroyer leaders.

I continue reading from Mr. Bardo's letter:

This new work would amount approximately to the following values: Newport News, \$30,000,000; Bethlehem and New York Ship, \$28,000,000 each, although the final estimates may slightly change these figures.

Mr. BORAH. Mr. President—

The PRESIDENT pro tempore. Does the Senator from North Dakota yield to the Senator from Idaho?

Mr. NYE. I yield.

Mr. BORAH. May I ask—if it is proper, and I suppose it is—how the committee secured possession of that letter? I make the inquiry for the reason that I think it throws much light upon this record.

Mr. NYE. Mr. President, the letter, along with other communications which were of interest to the committee, was brought into the possession of the committee by reason of a subpoena issued upon the New York Shipbuilding Co. for certain evidence which we asked to have delivered to the committee. Whether or not the New York Shipbuilding Co. was one of those that responded in this manner, I am not prepared at the moment to say; but some of them made available their files to the representatives of the committee, who brought either the originals or photostats of the originals to the committee for development in its hearings.

Mr. BORAH. Who issued the subpoenas?

Mr. NYE. The subpoenas were properly issued.

Mr. BORAH. Upon the company?

Mr. NYE. That is correct.

Mr. BORAH. Anticipating that the committee might find something of value relating to the subject which it was investigating?

Mr. NYE. Being quite certain that there were matters of value in those files.

Mr. BORAH. And out of this expedition—"fishing" expedition, if I may say so—came this letter?

Mr. NYE. That is correct, along with the other letters to which I referred yesterday.

I should like to point out that here was a man guessing, 10 days before bids were opened by the Navy Department, as to just what would be the division of the amount that was ready for allocation, approximately, \$100,000,000, and Mr. Bardo in his guess says that one of the three companies would get approximately \$28,000,000, another approximately \$30,000,000, and the third approximately \$28,000,000.

Amazing was the revelation of the accuracy with which Mr. Bardo guessed what the results would be when the bids were opened. There were some little discrepancies, some little departures from his estimates of what would be the award, but not material, which rather definitely reveals that the three big shipbuilding companies did manage to get together, did pursue the course which Mr. Bardo suggests the Navy Department suggested that they pursue, namely get together on their bidding.

I submit, in conclusion of this point, the lone thought that we have had demonstration after demonstration of the degree to which certain industries look upon national defense as being a holiday for them, the opening up of the Public Treasury to their looting, as it were.

I made the point yesterday that the estimates first prepared of the cost of the program of the Navy bill now pending before the Senate approximated \$800,000,000; but since then, since it became apparent that the country would engage in this larger Navy building program, the estimates have mounted and mounted and mounted, until today we find that a billion and a quarter dollars are to be required to fulfill what would be our obligation under this shipbuilding program. How much higher they will go before we are ready to award contracts no one can foretell.

Mr. President, I ask unanimous consent that the letter written by Mr. Bardo to Mr. Flook be printed in the RECORD in its entirety at this point in my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

EXHIBIT No. 1554

JUNE 22, 1933.

MR. W. M. FLOOK.

DEAR MR. FLOOK: I spent the last 2 days in Washington in connection with the Shipbuilders' and Ship Repairers' Code required by the Industrial Recovery Act. We finally worked out a code which was reasonably satisfactory to the ship repairers, although there are some questions of a more or less controversial nature which we will have to iron out between now and the time the code is made effective.

Three or four of these smaller yards, including the Todd and United Dry Docks in New York, who have never been engaged in Navy work, have had their eyes set right along upon having allocated to them some of the destroyers.

It was necessary for me to be here today and it was also necessary for Ferguson to be in Newport News, so that the Shipbuilders' Code could not be completed. In order, however, to set the ship repairers aright, I sent the attached telegram to Mr. Smith, who was presiding at the meeting. I outlined our company's position on this matter of allocation to yards not heretofore engaged in shipbuilding activities. I talked to Ferguson on the phone this afternoon, and he fully approved of this position.

I know from my talks with some of the representatives of the Navy, who are keenly interested in this work, that they are desirous of finding some substantial reasons for awarding this work to the largest possible extent to private yards upon whom they must rely for the necessary engineering to complete the ships.

There was also expressed to us the desire that the builders themselves should get together and agree as far as we could upon what each would bid and then bid on nothing else. The situation as it stands now is substantially as follows:

Newport News: The two airplane carriers, which while not duplicates of the *Ranger*, are of similar type.

Bethlehem: The 10,000-ton 3-inch cruiser, a duplicate of the ship which they are now building.

New York Ship: A new 10,000-ton 6-inch cruiser, and a distribution of the eight destroyer leaders.

This new work would amount approximately to the following values: Newport News, \$30,000,000; Bethlehem and New York Ship, \$28,000,000 each, although the final estimates may slightly change these figures.

I have a suspicion that the Department has clearly in mind ordering some additional cruisers once this first lot is out of the way, and I am also clearly of the view that they regard our cruiser output as being superior to that of the other yards.

I am now of the opinion that we will probably submit a bid for six of the eight destroyer leaders, although it may be necessary to reduce this slightly in the final set-up.

We are preparing a clause to be inserted in the contract, which we think will be acceptable to the Navy, to the effect that in the event labor and material charges under these contracts should exceed the labor and material estimates of the yard to a point where losses would accrue, that the contractor will be authorized to apply to the President, who in his discretion can cancel the contract and order the work completed on the basis of a cost plus a fixed fee.

Very truly yours,

C. L. BARD.

P. S.—As near as we can figure out, the distribution of the new Navy program will run about 60 percent to private yards and 40 percent to navy yards, although this may later be changed without further notice.—C. L. B.

MR. NYE. Mr. President, very zealously do some of us rally whenever there is the least suspicion directed against anyone within the Navy Department, and I would be the last one to reflect without cause upon those who have prepared themselves to assume posts of leadership if and when emergency should again confront our country. But I insist that there has been developed in the last 3 and 4 years a record of findings which no one can honestly pursue without reaching the conclusion that there are real causes for suspecting that there is a large degree of understanding between the Navy Department, the shipbuilders, and those agencies in the private commercial fields which are interested in supplying the orders for which a defense program calls. That interest, that association, has gone even so far as that our Naval Establishment is going hand in hand with American munitions makers over the face of the globe and aiding such munitions makers in effecting sales of American-made munitions to other nations.

When it was charged 2 or 3 years ago that the American ship *Raleigh*, one of our fleet, had anchored in the port at Constantinople, and that there had been brought on board

the *Raleigh* emissaries of the Turkish Government for the purpose of enabling them to see a demonstration of the new type of American guns which had been mounted on that ship, and that the party instigating that demonstration was the foreign agent of the American corporation which produced those guns and sold them to the Navy, there came from the Secretary of the Navy himself a statement published in the press denying that anything of the kind had ever occurred, which made necessary the revelation before the committee of photographs taken on board the *Raleigh* on that day, when it stood anchored in the port at Constantinople, photographs revealing in uniform the American officers of that ship, revealing in uniform the Turkish officers who had been invited on board, revealing as well the person of the salesman of the American corporation which had engaged in that kind of a program. I have the photographs here before me, if any Members of the Senate are interested.

Mr. President, national defense becomes too often a matter merely of chance for profit for a few men or interests who are never going to be satisfied with the adequacy of our national defense, who will spend large fortunes to keep the people fearful about that inadequacy, suspicious, afraid that we are unprepared for some emergency which might arise. If America wants a more adequate national defense than she has today, she will do herself a fine service, indeed, if she will remove herself from influences of that kind, which seem at times to delight in arming all the world, and then coming back to us and demonstrating what the world is armed with, and insisting that we ought to have twice or thrice as much of the same weapons if we want to call our defense sufficient against preparation on the part of the rest of the world.

Mr. President, it is not my plan to proceed longer today, because other Senators are prepared to speak, but I wish, in concluding for the day, to make the point that while the legislative program suggested yesterday and today, the purpose of which is to take the profit out of war, to remove the motive of profit and the part it plays in programs of preparation for war and in bringing about armament races—while that feature and the other features of that legislative program, were they enacted, would not constitute, and no one, least of all myself, would contend that they would constitute a guaranty against the danger of war or a cure-all for the disease of war; yet the bill we have pending before us at the present time is no cure-all, is no guaranty against the things that are being whispered today as menacing dangers confronting the country.

Mr. President, when I resume the floor to pursue the argument I have undertaken I shall want to make the point that the bill before us now is only the beginning of a much larger program that may be expected from year to year, of enlarging our Naval Establishment. The call now is for a billion dollars in addition to the \$600,000,000 we have already appropriated for the regular expenditures of the Navy.

It is only a start, Mr. President.

In keeping with this thought, I shall, when I again have the floor, pursue it in a way which I am satisfied in my own mind will carry conviction to some few Senators at least that it is a mad program upon which we are launching today; that there is no need for it; that we are not in jeopardy, and that we are not in danger from any foreign foe. I am also satisfied that I shall carry conviction to some minds that, in view of the large scale on which the naval program is presented and the statements as to our naval needs at this hour, those favoring the pending bill must have in contemplation an emergency thousands upon thousands of miles away from our own shores, and that in spite of the fact that the great majority of the people of the United States are very highly resolved that their sons, though they are available for use in defense of their country whenever attack may come, shall never be used in so futile a venture as another foreign engagement.

INVESTIGATION OF THE TENNESSEE VALLEY AUTHORITY

MR. CONNALLY. Mr. President, I send to the desk a newspaper clipping, which I ask to have the clerk read.

The PRESIDENT pro tempore. The clerk will read.
The legislative clerk read as follows:

[From the New York Times of April 20, 1938]

BRIDGES CRITICIZES GARNER OVER T. V. A.—CHARGES NEW DEAL IGNORED PRECEDENT IN LEAVING HIM OFF INQUIRY COMMITTEE—DAVIS GETS LAST PLACE—PENNSYLVANIAN ACCEPTS APPOINTMENT AS CONGRESSIONAL GROUP IS COMPLETED

WASHINGTON, April 19.—Senator BRIDGES, of New Hampshire, a leader in the fight for an investigation of the Tennessee Valley Authority, contended tonight that "the Roosevelt administration" had kept him from being a member of a joint congressional investigating committee.

"I believe the people are fully aware of the purpose of the Roosevelt administration which motivates its leaders to exclude me from the committee at all costs," he said. He did not elaborate.

Mr. BRIDGES' charge came soon after Vice President Garner had appointed Senator DAVIS, Republican of Pennsylvania, to the committee. His acceptance completed the personnel of the 10-man committee.

Formation of the group had been delayed by the refusal of three Republican Senators, CAPPER, of Kansas, BORAH, of Idaho, and McNARY, of Oregon, to serve.

Mr. BRIDGES told reporters that he was "naturally disappointed but not surprised that the administration has seen fit to bar me and my services from the committee."

He asserted that under Senate custom Senators who have done "the initial spade work" for and have procured passage of investigation resolutions have been named to inquiry committees.

SAYS COURTESY IS IGNORED

"Precedent and courtesy in the T. V. A. investigation have been thrown overboard," he added.

"I hope the investigation will be fair, impartial, and searching. Had I been named I would have leaned over backward in maintaining that attitude."

"This is not a political investigation in any sense of the word. The T. V. A. is not the personal property of the New Deal or of the Republican Party, but of the American people."

Senator FRAZIER, Republican of North Dakota, a member of the committee, said he thought the group would organize soon and then employ experts to make a preliminary study of the T. V. A.

Other Senators on the committee are DONAHAY (Democrat, Ohio), BROWN (Democrat, New Hampshire), and SCHWARTZ (Democrat, Wyoming).

House Members are Representatives MEAD, DRIVER, THOMASON, JENKINS, and WOLVERTON.

DAVIS ACCEPTS POST

UNIONTOWN, Pa., April 19.—Senator JAMES J. DAVIS, swinging through western Pennsylvania on a campaign tour for renomination, today said that he would accept appointment on the T. V. A. investigating committee.

"I talked with Senator McNARY, the minority leader, by telephone today and he asked me if I would accept the appointment. I told him I would serve if named. I hadn't intended to make the announcement until I returned to Washington, but if I have been appointed, I will make it now."

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. McKELLAR. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Davis	Johnson, Colo.	Pope
Andrews	Dieterich	King	Radcliffe
Ashurst	Donahay	La Follette	Reames
Austin	Duffy	Lee	Reynolds
Bailey	Ellender	Lewis	Russell
Bankhead	Frazier	Lodge	Schwellenbach
Barkley	George	Logan	Sheppard
Berry	Gerry	Loneragan	Shipstead
Bilbo	Gibson	Lundeen	Smathers
Bone	Gillette	McCarran	Smith
Borah	Glass	McGill	Thomas, Okla.
Brown, Mich.	Green	McKellar	Thomas, Utah
Brown, N. H.	Guffey	McNary	Townsend
Bulkley	Hale	Maloney	Truman
Bulow	Harrison	Miller	Tydings
Burke	Hatch	Minton	Vandenberg
Byrd	Hayden	Murray	Van Nuys
Byrnes	Herring	Neely	Wagner
Capper	Hill	Norris	Walsh
Caraway	Hitchcock	Nye	Wheeler
Chavez	Holt	O'Mahoney	White
Connally	Hughes	Overton	
Copeland	Johnson, Calif.	Pittman	

The PRESIDENT pro tempore. Ninety Senators having answered to their names, a quorum is present.

Mr. CONNALLY. Mr. President, the clerk has just read, at my request, a newspaper article from the New York Times headed "Bridges Criticizes Garner Over T. V. A." I have in my possession a copy of his complete statement, furnished me by the office of the Senator from New Hampshire, and I shall later ask to have it inserted in the RECORD, because I desire to be fair to the Senator from New Hampshire. Instead of confining myself to the newspaper article, I wish to put in the RECORD his entire statement.

I regret the absence of the Senator from New Hampshire. When I purposed making some remarks on this subject I called his office and advised him that I intended to do so, and invited him to be present. I regret to say that the Senator from New Hampshire is indisposed and unable to be present. I wish to express my deep regret at having to do what I am about to do in his absence.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. McKELLAR. One of the reasons which prompted me to ask the Senator to yield so that the roll might be called was to give the Senator from New Hampshire an opportunity to be present.

Mr. CONNALLY. I thank the Senator. As I have said, I informed the office of the Senator from New Hampshire, and I regret very much to make these remarks in his absence. However, in view of the fact that the Senator from New Hampshire did not make his charges on the floor of the Senate, in the presence of the President of the Senate, but sought to make this attack on the Vice President through the press and in his absence, I feel warranted in speaking at this time, even in the absence of the Senator from New Hampshire.

It will be recalled that the Senator from New Hampshire was one of the coauthors of a resolution looking to the investigation of the T. V. A. The resolution of the Senator from New Hampshire provided that the committee to be appointed under the resolution should be appointed by the President of the Senate. In other words, the Senator from New Hampshire, when he submitted his resolution, was willing to trust, and did trust, the judgment, wisdom, and integrity of the Vice President in making the appointments. He now complains of the action of the Vice President in not including him as a member of the committee.

If it had been the purpose of the Senator from New Hampshire to have himself included as a member of the committee, it would seem to have been wiser, instead of vesting the power of appointment in the Vice President, to provide in his resolution that the committee "shall be composed of five Senators, consisting of the Senator from New Hampshire [Mr. BRIDGES] and four others to be appointed by the Vice President."

Mr. President, the proposed investigation ought to be an impartial, full, and complete investigation of every matter relating to the T. V. A. However, the Senator from New Hampshire insists that the administration has some sort of unworthy motive in having him excluded from the committee. In his statement the Senator says:

I am naturally disappointed, but not surprised, that the administration has seen fit to bar me and my services from the congressional investigating committee which will shortly undertake to investigate the Tennessee Valley Authority. The reasons for this action on the part of the administration are obvious to any fair-minded individual.

If the motives of the administration are obvious, what are the motives? What are the dark, unworthy motives; what are the presumably corrupt motives, which have caused the Vice President, in the exercise of his duty under the resolution, and in the discharge of his responsibility to the Senate, not to appoint the Senator from New Hampshire a member of the committee?

Is the Senator from New Hampshire a fair and impartial investigator? Is he an unbiased judge? Is he a juror who can go into the jury box with clean hands and impartial mind? What is the record in that respect?

As long ago as January 18, 1938, the Senator from New Hampshire made an address in this body. I quote from the RECORD, on page 692:

Mr. BRIDGES. Mr. President, I have asked for the floor at this particular time to discuss a very timely subject. I wish to have it distinctly understood that I am not participating in the debate which has been going on upon this floor for some time.

It will be recalled, at that particular time, the Senate was engaged in a rather lengthy, very illuminating, and very statesmanlike discussion of a bill introduced by the Senator from New York [Mr. WAGNER] and the Senator from Indiana [Mr. VAN NUYS], and so the Senator from New Hampshire was careful to exclude himself from taking up any time on that bill. However, he said:

I am about to speak on a subject of vital interest to the country, a subject which is extremely important at this time, a subject of vast moment all over the Nation today.

Skipping some of his remarks he further said:

I have chosen as my subject today Has the T. V. A. Betrayed Its Trust?

That was his text—Has the T. V. A. Betrayed Its Trust?

A Senator who thinks he ought to be on the investigating committee starts during the early discussion of this matter with at least the implied charge that the subject of his investigation has already betrayed its trust.

One of his subtexts was, Is the Federal Administration Two-faced? Is there any implication in those words? Do they represent the thought of a man seeking the truth, and following the thread of truth, wherever it may lead? Or are they the considered opinion and view of one who has already made up his mind, who has already determined not only that the T. V. A. has betrayed its trust, but that the administration of President Roosevelt, including all who are under its influence, is "two-faced," and is adopting a hypocritical attitude with respect to the T. V. A.?

Let us see what the Senator from New Hampshire said:

I shall conclusively prove to the Senate—

When one conclusively proves a thing, there is no way of overcoming it. When a fact is conclusively established, it is useless to hear any evidence on the other side. Back in January the Senator from New Hampshire was prepared conclusively to prove something; and he now complains that he was not appointed on the committee so that he could conclusively prove it—

I shall conclusively prove to the Senate, first, that the T. V. A. has betrayed its trust.

That is what the Senator from New Hampshire said he was going to do. On the 18th of January he already had the proof. He, himself, was already convinced, not tentatively, but conclusively. Men sometimes arrive at a tentative opinion, and then, when they hear the evidence, they change their minds. But when something is conclusively proved, no change of mind is possible. The Senator from New Hampshire was prepared in January conclusively to prove that the T. V. A. had already betrayed its trust.

What is a betrayal of trust? A trust relationship is a sacred relationship. A man who violates a trust is a man who has had confidence reposed in him, and who has been vested with a certain responsibility. There is something sacred about trusteeship. When the Senator from New Hampshire said in January that the T. V. A. had already betrayed its trust, it inevitably follows as an implication from his language that the T. V. A. had not been true to the law, that it had violated the law, that it had not met its responsibilities, and that it had betrayed the trust reposed in it by the Congress and by the people of the United States when it was created under the act of Congress.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield to the Senator from Tennessee.

Mr. McKELLAR. On March 27, 1938, the Senator from New Hampshire made a radio address, which was put in the Appendix of the RECORD at page 1223. This is what the Senator from New Hampshire said at that time:

There has been almost no defense to T. V. A. on the merits of the issue of the charges that have been leveled against it. The administration's strategy has been to cover up T. V. A. dirt by a phony counterattack. The New Deal apologists in Congress and in the press impugn the motives of those who seek decency and honesty in government, and who believe in a square deal for all. They revile us with scurrilous remarks and level false charges. Having been in a position of leadership in forcing the T. V. A. investigation I seem to be the object, personally, of this contemptible, smearing attack.

I again call the Senate's attention to a later statement in reference to the Vice President, in whom I think every Member of this body has, or ought to have, the most perfect confidence. He says:

I have every confidence in the integrity of the Speaker of the House and of the Vice President.

Mr. CONNALLY. That statement, however, was made before he was not appointed a member of the committee.

Mr. McKELLAR. Yes; that statement was made before he was not appointed to the committee. On March 27 he said:

I have every confidence in the integrity of the Speaker of the House and of the Vice President. But I realize the terrific administration pressure that will be put upon them to appoint so-called friends of T. V. A. or persons who will be amenable to administration control of the investigating committee—

And so forth. So not only in January, but as late as March 27, similar statements were made to the public over the radio.

Mr. CONNALLY. I thank the Senator from Tennessee. Of course the Senator from New Hampshire was prepared conclusively to prove that the T. V. A. had betrayed its trust, but he was not prepared conclusively to trust the Vice President. He was willing to trust the Vice President when he thought the Vice President was going to put him on the committee, but when the Vice President did not put him on the committee, then the man whom he had trusted had also betrayed his trust because the Senator from New Hampshire was not placed upon the investigating committee.

Mr. President, not only on the 27th of March, as suggested by the Senator from Tennessee, did the Senator from New Hampshire express confidence in the Vice President, but he expressed confidence also from time to time in the Vice President and the Speaker of the House here on the floor of the Senate. The charges of the Senator from New Hampshire are not only a reflection and an attack upon the integrity of the President of the Senate, the Vice President of the United States, and an attack upon the administration of President Roosevelt, but they are an attack upon every member of the committee that was actually appointed. By what sort of magic has the Senator from New Hampshire, of all the Members of this body, been endowed with such integrity and character that he only is capable of investigating the T. V. A.?

The Vice President has appointed a committee consisting of the Senator from Ohio [Mr. DONAHAY], the Senator from New Hampshire [Mr. BROWN], the Senator from Wyoming [Mr. SCHWARTZ], the Senator from Pennsylvania [Mr. DAVIS], and the Senator from North Dakota [Mr. FRAZIER]. Who is there in this Chamber who will rise and say that any Senator appointed to the committee is not honest, that he is not going to discharge his duties faithfully, and that he is not going to pursue the quest upon which he has launched with impartiality and fairness? Yet the Senator from New Hampshire implies that this committee of five Senators, unless he be one among them, will not develop the facts with regard to the T. V. A. and will not bring to light the conditions which it is the object of the investigation to expose. Speaking of politics, Mr. President, it is palpably a cheap, low form of politics emanating from the Senator from New Hampshire. What did he say in March?—

T. V. A. is what the public seeks to find the truth about. There has been almost no defense to T. V. A. on the merits of the issue of the charges that have been leveled against it.

In March he was assuming the charges as having been proved.

The administration's strategy has been to cover up T. V. A. dirt by a phony counterattack.

Mr. President, the Senator from New Hampshire charges that the administration has covered up T. V. A. "dirt." Well, in order to cover up "dirt" there has first got to be "dirt." So he charges that the T. V. A. has "dirt." What does he mean by that? He means corruption; he means wrongdoing; he means malfeasance; he means misfeasance. He not only says that there has been corruption and wrongdoing but he adds to that that the administration is covering up "dirt" by a phoney counterattack. "A phoney counterattack," not a real counterattack, but merely a make-believe sort of artificial camouflaged effort to counterattack.

The New Deal apologists in Congress and in the press impugn the motives of those who seek decency and honesty in Government, and who believe in a square deal for all.

Who is this little select group that want honesty in government? There must be only a few of them.

They revile us with scurrilous remarks.

In other words, the Senator from New Hampshire places himself in that little reserved group, that little group with thinning ranks, only a few of them, "who seek decency and honesty in Government, and who believe in a square deal for all," and whose motives are impugned. In order to identify himself with that group he says:

They revile us—

Meaning that he is one of that small group who believe in honesty in government and decency. The implication is that the rest of us who want an unbiased investigation are not believers in honesty and decency in government. No, that belief is restricted to that little intellectual aristocracy, that little moral royalty, that little nobility of integrity, consisting of the Senator from New Hampshire and I do not know whom else. I have not heard the Senator from New Hampshire name anyone else in that group, save himself—

They revile us with scurrilous remarks and level false charges.

Mr. President, I have heard no "scurrilous remarks" leveled at those who believe in honesty and integrity and decency in government; but the Senator from New Hampshire attacks not only the administration but attacks every member of the committee which has been appointed, and attacks the Vice President of the United States who appointed the committee.

Again quoting briefly from the first speech, as I recall, which the Senator from New Hampshire made on this question, and then I hope to conclude:

I shall conclusively prove to the Senate, first, that the T. V. A. has betrayed its trust, and, second, that the present Federal administration is two-faced in its attitude toward the huge trusts and monopolies in the Nation today.

This unbiased judge, this unprejudiced juror who wants to sit on the destinies of the T. V. A. in the interest only of honesty in government and decency in government—no other motive actuates his mind; no vile purpose soars in the empyrean of his intellect; he is devoted to honesty and decency in government, desires to serve on a committee when already in January he said he could conclusively prove the T. V. A. had betrayed its trust. He says:

The administration cannot blow hot and cold at the same time.

Is that the charge of an unbiased, fair judge? Is not that a partisan political charge at the very beginning, at the very threshold of the investigation? Before the resolution authorizing the investigation was even passed, we find the Senator from New Hampshire appearing as a prosecutor, as an informer, a man with his mind already made up, his judgment already formed, the decree of his intellect already written down on the tablets of his memory. Yet now he complains that the Vice President of the United States, as the result of some dark conspiracy, has excluded him from membership on the committee.

Further quoting the Senator from New Hampshire:

Therefore, it is my intention to bring before the Senate what is to me a startling revelation, which to the public can mean only that the Federal Government today is a double-headed monster.

Mr. President, I want those words to go down in this Record. They are the words of the Senator from New Hampshire, the Senator who attacks the Vice President, the administration, the Senate committee, and the Senate itself, when he says:

Therefore, it is my intention to bring before the Senate what is to me a startling revelation, which to the public can mean only that the Federal Government today is a double-headed monster.

The Federal Government, of which the Senator from New Hampshire is part, "is a double-headed monster." Those are not my words; they are the words of the Senator from New Hampshire—"a double-headed monster"—and he wants to be the Theseus to slay the monster. I remember when in college reading Greek mythology—a subject in which some Senators still deal—and I recall reading of Theseus, who pursued the terrible monster, the Minotaur, through a labyrinth. The fair goddess Ariadne gave him a skein of silk and he retraced his steps after he had killed the Minotaur by following back the skein itself, and then he got out of his trouble. Now, however, the Senator from New Hampshire, in his distempered dreams about the greatness he was going to achieve through this investigation, evidently has reverted to his college days and the story of Theseus killing the monster, and so he now envisages the Federal Government as a double-headed monster—double headed! He bites in front, and he also bites behind. [Laughter.] That is the view entertained of the present Government of the United States by this fair judge, this impartial juror, who wants to get on the committee purely in the interest of honesty and decency in government, and everybody who has criticized or has attacked him has been assailing him with scurrilous remarks because he is a believer in decency and honesty in government.

All right! Let us see what other thoughts the Senator expressed, on page 692 of the CONGRESSIONAL RECORD. This was in January of this year:

I have come to the conclusion that the Tennessee Valley Authority has betrayed its trust, and that the New Deal administration is actually two-faced in its attitude toward business and in its action toward speeding up national recovery.

What has the Senator from New Hampshire ever done to speed up national recovery except to stand on the side lines and throw mud balls at the administration in its effort to secure a return of prosperity and a speeding up of recovery?

Here is what he says, furthermore:

The T. V. A. could, I thought, be trusted to fulfill its function, to throw light into the darkness of the utility jungle.

I now wish to refer to a colloquy which the Senator from New Hampshire had with the Senator from Nebraska [Mr. NORRIS]. The Senator from New Hampshire expressed admiration for the Senator from Nebraska. I do not know whether or not he would do so now, since he has not been put on the committee. I doubt if he would do so.

On the 9th of March the Senator from New Hampshire made another speech, in the search for truth, of course, in the pursuit of facts. He was just a seeker after knowledge, though his opinion was already made up in January that he could conclusively prove that the T. V. A. had betrayed its trust, and that the administration was a double-crosser. This is what the Senator, still having this lofty purpose of getting the facts, said on March 9, found on page 3097 of the Record:

Can there be those who would whitewash the Authority and paint it whiter than the driven snow? Who would suppress the real truth? Who would gloss over the failures? Who would blind themselves to broad hints of corruption and conspiracy?

Not the Senator from New Hampshire. At the first intimation he swallows these reports whole, without waiting for the committee to prove them or to investigate them. All that is necessary to convince the Senator from New Hampshire that the administration is two-faced, and that the T. V. A. is corrupt, is for somebody to say so.

Who would ignore the charge of dictatorship on the part of the Authority? I hope such individuals may not be found among the membership of this body.

That is an intimation that they are here. While the Senator expressed the hope that there were not any such men

in the Senate, his statement can be interpreted only as an intimation that he thought probably some of them were here, or he would not be expressing a hope; he would say, "They are not here, I know." He is hoping that Senators are honest. He is hoping that Senators are impartial and fair and that they want a real investigation. That is the attitude of the Senator from New Hampshire with his utterances, but it is not his attitude with reference to his own position on this subject. He has prejudged it. He has written the verdict. He has signed the decree. He has entered the sentence. The T. V. A. is already convicted; it is already on its way to the death house, in the mind of the Senator from New Hampshire [Mr. BRIDGES]; and yet he complains because the Vice President did not appoint him as the official executioner.

This is the point at which the Senator from New Hampshire referred to the Senator from Nebraska:

For years I have followed the career of the senior Senator from Nebraska. It has been a brilliant chapter in the history of the Senate. His dauntless battles against corruption and wrongdoing in high places have been an inspiration to me.

If they have been, he is not paying much attention to that inspiration at the present moment. He was not paying any attention to the inspiration of the Senator from Nebraska when he issued this statement. He was not being infatuated and beguiled by that inspiration when he rose here in January and made this speech in which he had already prejudged the T. V. A. and indicted the administration.

His dauntless battles against corruption and wrongdoing in high places have been an inspiration to me.

I admire the Senator from Nebraska greatly; but I desire to say to him that if his inspiration has the effect on others that it had on the Senator from New Hampshire, he ought to look into his inspiration and modify it somewhat. [Laughter.]

He has been nonpartisan.

Think about that—the Senator from New Hampshire admiring a Senator who is nonpartisan! Nonpartisan! Well, if he admires a man who is nonpartisan, why does he not emulate him a little? Why does he not approach this question with an open mind, instead of an open mouth? [Laughter in the galleries.]

The PRESIDENT pro tempore. There must be no demonstrations in the galleries, or the galleries will be cleared.

Mr. CONNALLY. This is the indictment. This is where the Senator from Nebraska comes in. After saying that the Senator from Nebraska has been an inspiration to the Senator from New Hampshire, that he has been nonpartisan, that he has always sought to be fair, the Senator from New Hampshire says:

Has he changed?

So says the Senator from New Hampshire. The Senator from Nebraska has been nonpartisan for 40 years, we will say. He has been an inspiration to the Senator from New Hampshire since the Senator from New Hampshire was just an ordinary citizen up in New Hampshire, just an ordinary, plain man, before he came to the Senate. The Senator from Nebraska was an inspiration to him. The Senator from Nebraska has been nonpartisan for 40 years, and he has been fair for 40 years, or fifty, or seventy-five.

Has he changed?

When the Senator from Nebraska does not agree with the Senator from New Hampshire in his prejudgment of the T. V. A., when the Senator from Nebraska does not agree to convict the T. V. A. without trial and without witnesses and without facts, the Senator from New Hampshire immediately begins to doubt him. "He is not going to be an inspiration to me any longer unless he helps get me on the investigating committee. He will not be nonpartisan unless he makes up his mind in advance, and prejudices the T. V. A., and calls the administration double-faced, and says that the Federal Government is a two-headed monster. If he

will do that, I shall continue to be inspired by him, and I shall continue to follow his nonpartisan policy."

Has he changed? I hope not, and I believe not, but why is he now seeking to cloak the sins of this agency behind the sure protection of a second administration controlled agency?

In other words, the Senator from Nebraska was seeking to hide the sins of the T. V. A. If the T. V. A. has sinned, it has already been convicted, has it not, by the Senator from New Hampshire? He says the T. V. A. has sinned, and that the Senator from Nebraska is seeking to hide those sins behind the cloak of an investigation. I suppose this statement referred to the proposed investigation by the Federal Trade Commission. Well, whatever may be said of the Federal Trade Commission, it has conducted a number of notable investigations. It has laid the facts before Congress and the country, and, so far as I know, it has never been charged with partisanship or partiality.

Oh, but the Senator from New Hampshire is concerned about this investigation:

We need and must have an honest investigation by a congressional committee of the charges of gross waste, mismanagement, and possible corruption. Any other kind of investigation one would expect from a rubber-stamp, machine-led partisan but not from the very distinguished and able Senator from Nebraska.

In other words, we would not expect that kind of an investigation from the Senator from Nebraska, but if we followed his plan, the inference of the Senator from New Hampshire was that would be the kind of investigation we would get. "Rubber-stamp, machine-led partisan."

It is refreshing, Mr. President, in this time of political passions, to find a really nonpartisan spirit like that of the Senator from New Hampshire. It is as refreshing as a breath of spring after the chill of winter, when the buds begin to burst and when the perfumed breezes of spring are wafted over the velvety greensward. It is very refreshing to have a breath of air like this from the Senator from New Hampshire, nonpartisan, impartial, one who believes in honesty in government, devoted to decency. His implication is, however, that he is the only prophet crying in the wilderness in behalf of decency in office. He would have us believe we cannot trust the five members of the committee, that we cannot trust the Vice President of the United States.

On March 9 the Senator from New Hampshire said:

I have tried to be fair about this question and to answer the questions asked by my colleagues. I should like now to ask them to answer one. I will ask them whether or not they favor a real, honest investigation?

He proceeded at some length.

Mr. BARKLEY. Would the Senator insist that the precedent which is usually followed in the appointment of committees be followed in this instance by including the two authors of the resolution, both of whom are enemies of the T. V. A.?

Mr. BRIDGES. I will leave that to the judgment of the Vice President. I have confidence in his judgment and integrity.

If the Senator from New Hampshire on the 9th of March had confidence in the judgment and integrity of the Vice President, what has transpired since then to cause him to lose that confidence except the failure of the Vice President to put him on the committee, to give him a place of prominence, to give him a sounding board, to give him a place for publicity, to give him a station from which he could carry on his bitter personal and political attack upon President Roosevelt, his administration, upon this committee, upon the T. V. A. itself, and upon the Vice President of the United States?

Mr. President, I do not desire to take up more of the time of the Senate. Let me say in this presence that those who know the President of the Senate, the Vice President of the United States, know that he honestly and faithfully and impartially undertakes to discharge the high functions of the exalted station which he occupies. I have known the Vice President for 37 years. I sat with him in the lower house of the Texas Legislature when I was a mere boy, 31 years ago this March. I have watched his career from that time until this, and no one can justly say that the Vice President of the United States has ever used the power vested in him as Vice

President, or as Speaker of the House of Representatives, to any low or unworthy purpose. The Vice President has attained what he has accomplished by reason of his own integrity, his own character, his own intellect, and his own efforts. He has risen from obscurity in a small county-seat town to the second highest station in this Republic. He has lived a life upon which has beat the white sunlight that floods the throne, and no one can with justice hint at a charge against the Vice President of any dishonorable or unworthy act in his long and distinguished career.

Mr. President, when the Senator from New Hampshire returns to the Chamber, I shall probably have additional remarks to submit.

NAVAL EXPANSION PROGRAM

The Senate resumed the consideration of the bill (H. R. 9218) to establish the composition of the United States Navy, to authorize the construction of certain naval vessels, and for other purposes.

Mr. BONE. Mr. President, I ask to have printed as part 2 of Senate Report No. 1611 some observations by me respecting certain financial aspects of the problem involved in the passage of the pending naval authorization bill, House bill 9218, this statement to accompany the bill. The matters I discuss in the statement relate to the extent to which the Navy may be expanded under existing legislative authority, and the discussion also relates to navy yards and our foreign policy. I cherish the hope that the facts I present may be helpful to Senators in their consideration of the pending bill.

I also ask unanimous consent to have published in the body of the RECORD a copy of the statement, which I send to the desk, and which I ask to have made a part of my remarks at this point.

The PRESIDENT pro tempore. Is there objection to the requests of the Senator from Washington? The Chair hears none, and the document to which the Senator has referred will be printed as a part of the report, and also printed in the RECORD at this point.

The statement is as follows:

The Committee on Naval Affairs has recommended the passage of H. R. 9218 with certain committee amendments. This supplemental statement is tendered for the purpose of presenting certain aspects of the problem embraced in this bill. Other aspects, which may interest Senators, are discussed in the minority report from the Naval Affairs Committee of the House of Representatives.

It will be remembered that the Vinson-Trammell Act of 1934 gave full authority to the President to undertake the construction of one aircraft carrier, 99,200 tons aggregate of destroyers to replace over-age destroyers, 35,530 tons of aggregate of submarines to replace over-age submarines, and these authorizations were in addition to six cruisers not yet constructed under authority of the act approved February 13, 1929, and in addition to the vessels being constructed pursuant to Executive Order No. 6174, of June 16, 1933. The Vinson-Trammell Act also authorized the President to replace by modern vessels all of the vessels in the Navy in the category limited by the 1922 Washington Treaty and the 1930 London Treaty, when their replacement was permitted by these treaties. Both of these treaties have expired, and therefore any reference to a treaty navy in the Vinson-Trammell Act is practically meaningless because there are no limitations to the size of the fleet which would make it a treaty-size navy.

These treaties having expired, the United States is now free to replace any and all vessels over and above the age limits agreed to in the subsequent naval agreement with Great Britain and France signed at London on March 25, 1936. In this treaty it is provided that vessels falling into certain categories shall be deemed to be "over-age." Capital ships are determined to be "over-age" when 26 years have elapsed since completion. This limitation is made to apply to aircraft carriers at 20 years; light surface vessels, such as cruisers, at 16 and 20 years, dependent upon caliber of guns; light surface vessels under 3,000 tons, 16 years; and submarines, 13 years. This treaty limits capital ships to 35,000 metric tons, but contains escape clauses that permit the contracting parties to suspend the obligations of this treaty in time of war and to depart from its limitations and restrictions as to displacement and armament if any power not a party to the treaty builds larger vessels in the class of capital ships, aircraft carriers, and submarines. This treaty is in force until December 31, 1942.

The authorization for building under the Vinson-Trammell Act would probably reach \$4,000,000,000. Since the enactment of that act Congress has acted under it and appropriated money for new naval vessels and replacements, and the expenditures under these appropriations to date amount to \$245,736,025. As a result of this expenditure, to date 74 ships have been built and are under con-

struction. The appropriations under this particular authorization were made in 1935, 1936, 1937, and include the best possible estimate for the year 1938.

It will be recalled that in addition to these expenditures, and under the recovery program launched by the administration in 1933, the President was authorized to and did allocate \$238,000,000 of relief funds for new naval construction, and these funds were applied on the construction of new vessels in addition to the above-mentioned expenditures under the Vinson-Trammell Act. Thirty-two vessels were built with funds from this relief appropriation and included cruisers, destroyers, and submarines, some of which are still in process of construction. The total of these two expenditures for naval construction has amounted to nearly \$484,000,000 since 1933.

In addition to the \$245,736,025 actually expended under the Vinson-Trammell Authorization Act of 1934, the Government has contract commitments on vessels now being constructed under that act in the further sum of \$366,137,595, making in all a total of only \$611,873,620 out of the possible expenditure of \$4,000,000,000. The remainder of this vast sum can be made available for new construction if and when Congress appropriates the money.

With \$245,736,025 actually expended to date under authority of the Vinson-Trammell Act; \$366,137,595 in addition thereto tied up in contract commitments under authority of the same act; and the further sum of \$238,000,000 lifted out of 1933 relief funds and expended in enlarging the Navy, we have a grand total of \$849,873,620 spent and pledged under the Vinson-Trammell Act and the relief funds since 1933.

When the author of these observations employs the figure of \$4,000,000,000 in connection with the possible expansion under authority of the Vinson-Trammell Act, let it be understood that this figure is merely an estimate of the total amount that might possibly be spent under that act. To be sure, this is an estimate of possible expenditures, but it must be borne in mind that the Vinson-Trammell Act did not authorize appropriations but rather it authorized the building of vessels, and no one knows what they will cost. At the time the pending bill was first brought under discussion, the best estimate was that the vessels authorized under the Vinson-Trammell Act would easily cost \$4,000,000,000, but at that time most people were not aware of the frightful increases in naval costs that were being thrust upon the country, which, of course, inevitably tend to modify that estimate upward. If the outrageous bids now being received on naval vessels and auxiliaries continue to soar into the stratosphere, it is possible that the amount that could be expended under the tonnage authorizations of that act might reach the astounding figure of \$6,000,000,000 if we attempted to do the work in the near future. No one can prophesy with safety what the ultimate cost might be for the vessels authorized under that act.

The bids that the Government is now receiving give every indication that private shipbuilding interests hope to make a veritable "Roman holiday" of this shipbuilding program unless they are checked by the salutary force of public opinion. Certainly Congress shows no disposition at the present time to curb the inordinate demands reflected in private bids. On the contrary, Congress has attempted, at the instance of the Navy Department, to open the way still further for raids on the Treasury by deliberately incorporating in the recent naval appropriation act a specific authorization for the Secretary of the Navy to take every bit of construction and building work out of Government yards and award such work to private yards. In my judgment, this is certainly a gentle hint, if not a patent bid, to private shipbuilding firms to "make hay while the sun shines."

Under provisions of the Vinson-Trammell Act, construction of two battleships was begun with funds provided by the Congress in 1937. The regular naval appropriation act just passed carries funds to begin two more battleships. The first of these new battleships will not be finished until about January 1, 1942, as they require approximately 54 months for completion. In the next 5 years five additional capital ships may be built under the Vinson-Trammell Act, due to the fact that five of our present capital ships will become "over-age."

Under the Vinson-Trammell Act it is also possible for the Navy at the present time to lay down 40 destroyers, 16 submarines, and 2 light cruisers, as well as 3 additional battleships.

With respect to the potential possibilities in our building program, Admiral Leahy suggested that it would be possible to start building seven capital ships if the new bill were passed, but that the Navy Department had no thought of doing that at this time because of limited shipbuilding facilities and the financial program of the Government. This would include the four battleships now being constructed and to be constructed under the Vinson-Trammell Act and the three new battleships authorized by the pending bill. Admiral Leahy and the chairman of the Naval Affairs Committee of the Senate have expressed some question as to the authority granted under the broad terms of the Vinson-Trammell Act. In this connection it may be noted that the minority members of the House Committee on Naval Affairs are of the opinion that in the next 5 years there is now ample authorization to build nine battleships in addition to the two now under construction.

Existing treaties do not require the scrapping of so-called over-age ships and the United States does not face the necessity of

scrapping our present capital ships when they reach the age limit of 26 years fixed by the London Treaty of 1936.

It is not the purpose of the Government to build the ships authorized under the pending bill in the immediate future, but to extend the building program over a period of approximately 10 years. Admiral Leahy advised the committee that he had been studying a 10-year program of construction and that it might take longer than that, but would not be likely to consume less time.

The hearings before the committee indicated the necessity of a large annual increase over the regular annual naval appropriation, which increase might amount to somewhere around \$120,000,000 or more. This increase would make the annual naval budget from now on amount to \$700,000,000 or more. Admiral Leahy was not able to express a conclusive opinion as to the amount of money the Navy might spend annually to secure the greatest efficiency in the execution of the program, but his view was that the additional expenditures which might be incurred under the pending bill, if its adoption was followed by appropriations to carry out its terms, would amount to from \$100,000,000 to \$150,000,000 per annum in addition to the regular naval budget, which, of course, would include money for building of additional ships under the Vinson-Trammell Act program.

These are financial considerations deserving of serious consideration at the hands of the people as we present to them this ambitious program of naval expansion. It is not the purpose of those who share in the expression of these views to question the ability of the Navy. It is manned and staffed by capable men. Congress, however, faces the duty of passing upon the question of public policy involved in the expenditure made necessary by the building program authorized by this bill and preceding legislation. Such questions are generally resolved one way or another in the consideration of the appropriation bills, for, of course, it is known to everyone that the pending bill is not an appropriation, but a mere authorization for future appropriations, which must be made in regulation appropriation bills.

If the pending authorization bill passes, it will, of course, be formal notice to the world that the United States is preparing to meet all real or unreal threats in the way of competitive building by other nations, and it is conceivable that such a contemplation would open the way to a reappraisal of the whole problem of competitive armament races and the dire threat to world stability implicit in such folly.

The necessitous condition of the great army of unemployed in the United States, whose problem of involuntary idleness and consequent lack of the means wherewith to live, immeasurably complicates the financial problem of government, and cannot be overlooked in a realistic consideration of the necessity of increasing the large program of expansion possible now under the Vinson-Trammell Act, which in itself will not become an accomplished fact for many years to come, unless Congress is prepared to appropriate vastly increased amounts for the Navy.

OUR NAVY YARDS

Back of the fleet stand our naval shore establishments. Congress should now appropriate ample money to fully overhaul and reequip Government yards to handle our naval program. It has been suggested by naval officials that \$30,000,000 might be required to so expand the facilities of navy yards and furnish them with up-to-date equipment. Recent studies of bids to the Maritime Commission and on Navy vessels reveal that all previous ideas of costs will have to be revamped. It is probable that the new 45,000-ton battleships may cost this Government as much as \$100,000,000. If bids on other ships are in line with such fantastic prices, the cost of executing the naval program contemplated in this bill will soar to dizzy heights. The one and only answer to such a threat of excessive costs is to build these ships in our own navy yards and to begin immediately the task of expanding the facilities of our yards to handle the entire building program.

In this connection attention is directed to the formal statement of naval policy published by the Navy Department in 1933 over the signature of the Secretary of the Navy. It announces (in part) that policy to be:

"To maintain a shore establishment sufficient to sustain the forces afloat in peace and capable of expansion to meet our needs in emergency. To maintain shore activities in such operative status as is necessary to support the Navy in time of peace."

If such language does not imply that the navy yards should be capable of sustaining our Navy and meeting its needs, then the language is utterly meaningless. Strange to say, the Navy Department has invariably repelled proposals to expand navy yards to handle its building program with its own formal declaration staring it in the face. The House Naval Affairs Committee was told by officers of the Navy, who appeared to be expounding its views, that it was the policy of the Navy to stimulate private shipbuilding-yard expansion and that the Navy will urge Congress to abandon legislative restrictions of other years giving Government yards preference for construction allocations. That this is to be the policy of the Navy hereafter is made still more evident by language in the Naval Appropriation Act just passed by Congress, which specifically authorized the Secretary of the Navy to send all repair work as well as all construction work out of Government yards. The grant of this power to the Secretary of the Navy was broad enough to accomplish that very thing. The House Naval Affairs Committee, according to press reports, was told that the Navy hopes to foster and encourage commercial gun manufacture, which would, of course, change the practice of the Government in making its own naval rifles.

When the bids on new ship construction begin to come in the American people will then realize what the vast increase in the cost of naval vessels is going to mean to them. The full significance of the cost of the pending naval building program will not come until the Navy gets well into its building program. The Associated Press recently published some figures on one of our capital ships, the *West Virginia*, commissioned on December 1, 1923, said to be the last battleship to be completed by the United States under the terms of the Washington Treaty of 1922. The *West Virginia* is 624 feet long and is a 33,000-ton battleship. It cost \$26,889,851 to build. It is probable that a ship comparable in size might now cost \$70,000,000, or almost three times as much. Labor costs and the cost of steel could not possibly account for such a frightful gap between these figures. We confront the probability that bids on 45,000-ton battleships may run from ninety to one hundred million dollars.

Admiral Leahy has pointed out that the Navy does not contemplate rushing the building program through, but wants to extend it out over something like a 10-year period. In 1934, and every year following, Congress has been asked to provide the money for expanding our Government yards and to direct that all naval construction and repair work be done therein. Had such efforts been successful the navy yards today would be able to take over the whole program, and it is our earnest belief that the saving in such an operation would be tremendous.

If private yards are now expanded to take up part of this program, obviously the Government will have to pay for that expansion in the cost of the vessels, and when the program is over the Government will have lost the money expended in that direction. If we invest this money in our own navy yards, the Government will own such additional facilities—all procured at public expense in either case. There ought to be no argument about the merits of such a proposal.

NAVAL POLICY

It cannot be doubted that the overwhelming mass of Americans sincerely want adequate national defense, but it is also a fair assumption that they are sincerely opposed to any policy which might involve this Government in attempts to police the world or in actions which might involve us in foreign controversies over the property of our nationals in the far corners of the earth. They know that if we become embroiled in another great war we will thereby impose upon the people of this country a financial burden so frightful that the probable result would be the destruction of the Republic.

That public opinion is definitely set against American intervention in foreign difficulties of any kind should be evident to all thoughtful observers. If we attempt to preserve the so-called business rights of a few of our nationals in far-away corners of the earth by employing some form of coercion, we immediately face the imminent possibility of war. The assertion that any American has the right to jeopardize the very life of the Republic to secure protection for his property in a foreign land, does violence to logic and makes a mockery of patriotism. By the wildest stretch of the imagination, going to war on such a flimsy protest could not possibly be called national defense. It would be a high crime against humanity—against the people of this Republic—to send our boys out to die merely to protect the right of some American to do business in an alien land. The life of the Republic should come first in the hearts of Americans. The property rights of Americans in foreign countries should never be permitted to imperil national safety. A so-called public policy that calls, or seems to call for war, if need be, to defend the property of nationals in far-flung corners of the globe, merely invites national suicide.

It is not necessary to call upon witnesses to prove the reasonable and well-grounded fears that Americans entertain concerning such matters, but it will not be amiss to point out that Secretary of War Woodring only a short time ago announced that another world war would "prove universally disastrous—to victor, to vanquished, and to neutral" and that another world war would endanger civilization.

William Dodd, former American Ambassador to Germany, asserts that despite the tragic experience of the World War, the nations of the earth are rushing into debt as they arm for another world war that probably will destroy civilization.

Only a few days ago Herbert Hoover, former President of the United States, suggested abandonment of the Philippines as a line for defense, and proposed that our arms should be utilized solely to repel aggression and that we should not engage ourselves to use military force in an endeavor to prevent or end other people's wars.

Prime Minister Neville Chamberlain of Great Britain announced only a few days ago that a new world war which might result in the defeat of Britain would unleash a scramble for territory not witnessed since the fall of the Roman Empire, and that conflicts growing out of such a scramble would inevitably last for generations and deluge the whole world with blood, and probably destroy existing civilization.

With all the instrumentalities of modern science marshalled in a new war, the world would rapidly slide down into the abyss of savagery and barbarism. There is so much cruelty let loose upon the world today that we have almost lost the capacity to cry out against such wantonness. At least we can retain the one emotion of gratitude that we of America are as yet spared the horrors of war, but as one of the prominent newspapers of this section of the country recently said: "The winds of disaster blow stronger and stronger, and it is certain, if anything is certain, that should

world chaos spread with its inevitable concomitant of increasing barbarism, no nation and no people would be spared."

For the reasons indicated, the problem of curbing the activities of our own nationals to the end that such activities may not involve us in war, becomes one of vital concern to every American, and a consideration of this problem is of paramount importance and of the very essence of national defense.

The impossibility of stating a national policy which will fit every emergency is recognized by all, but it is possible to lay down by law certain broad principles which we have every moral and legal right to apply to our nationals who are engaged in extra-territorial business operations. We cannot make the whole world safe for men who elect to go into business in foreign lands unless we expect to police the whole world. If such a viewpoint becomes enthroned as the dominant American foreign policy, this nation is headed for disaster.

Few men can be found who honestly believe that our economic and social system could successfully withstand the financial impact of another war debt, which might easily reach \$50,000,000,000. Not only would such an addition to our existing national debt constitute an unbearable burden, but along with this addition of debt would be added a new army of maimed and dead boys and new pension lists that would stretch to infinity. It is a contemplation of these social and financial horrors that induced the men I have named to prophesy the end of civilization as the result of a new world war.

There is one final consideration. It is conceded that the provisions of the Vinson-Trammell Act authorize a program in itself so large that Congress will not provide the funds necessary to carry it out except over a period of several years. That act authorizes a \$4,000,000,000 expansion, and of that amount the Navy has only spent to date \$245,736,025 upon construction of 74 ships. It would not in any wise interfere with the vast program of building possible under the Vinson-Trammell Act to defer for a time the authorizations contemplated in the pending bill.

It is argued, and perhaps the argument is justified, that the pending bill will serve notice on the whole world that the United States intends to match ship for ship and gun for gun with the greatest naval powers of the earth. If that be the price of peace, then we should pay it; but since we are assured by everyone interested in this bill that it is for purely defensive purposes, it is not out of order to suggest that we adopt, along with this legislation, some reasonable and frank statement defining this defensive policy. It is suggested in the following language, which might well be incorporated in the bill:

"In order to effectuate and maintain a state of neutrality and to establish, as an essential part of that policy, the preservation and maintenance of our Naval Establishment for purposes of national defense and not for purposes of aggression, operations of the naval forces of the United States shall be confined to the defensive sea area of the United States which is hereby defined as that sea area within the zone bounded by a line extending from Attu Island to Midway Island, thence to the Hawaiian Islands, thence to the Panama Canal Zone, thence to the Virgin Islands, thence to the eastern extremity of the State of Maine.

"It is further declared to be the naval policy of the United States that the naval forces of the United States shall be employed to maintain said defensive sea area inviolate against any foe.

"Nothing herein contained shall be construed as forbidding the use of vessels of the United States in time of war in waters outside said defensive sea area to repel attacks upon the United States or its Territorial possessions, or to repel attacks upon any country in the Western Hemisphere in violation of the historic policy of the United States as expressed in the Monroe Doctrine or as forbidding peacetime maneuvers on the high seas or visits of courtesy by vessels of the United States to foreign waters and ports."

Those who believe that defense of America and our American possessions is our highest duty, transcending in importance all others, will not find it objectionable. Those who believe that we should go to war, if necessary, to protect every American engaged in business in foreign lands, will not agree with it. It is our judgment that very soon the American people must definitely make up their minds whether they want to adhere to the policy of protecting traders everywhere regardless of the fact that such protection may lead us into war or to put the safety of their homeland above every other consideration.

Nothing in the suggested amendment restricts in the slightest degree the operation of our Navy in performing the vital function of national defense. It does definitely part company with the theory that a national duty rests upon us to make every spot on earth safe for American business interests—a doctrine fraught with deadly menace in this tragic era.

Mr. VANDENBERG obtained the floor.

Mr. WHITE. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. HITCHCOCK in the chair). The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Bankhead	Borah	Burke
Andrews	Barkley	Brown, Mich.	Byrd
Ashurst	Berry	Brown, N. H.	Byrnes
Austin	Bilbo	Bulkeley	Capper
Bailey	Bone	Bulow	Caraway

Chavez	Hatch	McGill	Schwellenbach
Connally	Hayden	McKellar	Sheppard
Copeland	Herring	McNary	Shipstead
Davis	Hill	Maloney	Smathers
Dieterich	Hitchcock	Miller	Smith
Donahay	Holt	Minton	Thomas, Okla.
Duffy	Hughes	Murray	Thomas, Utah
Ellender	Johnson, Calif.	Neely	Townsend
Frazier	Johnson, Colo.	Norris	Truman
George	King	Nye	Tydings
Gerry	La Follette	O'Mahoney	Vandenberg
Gibson	Lee	Overton	Van Nuys
Gillette	Lewis	Pittman	Wagner
Glass	Lodge	Pope	Walsh
Green	Logan	Radcliffe	Wheeler
Guffey	Louderman	Reames	White
Hale	Lundeen	Reynolds	
Harrison	McCarran	Russell	

The PRESIDING OFFICER. Ninety Senators having answered to their names, a quorum is present.

Mr. VANDENBERG. Mr. President, I now call the Senate back to a consideration of the unfinished business, House bill 9218, to establish the composition of the United States Navy, to authorize the construction of certain naval vessels, and for other purposes.

The able and distinguished Senator from Massachusetts [Mr. WALSH], the eminent chairman of the Senate Naval Affairs Committee, has made as persuasive a statement in behalf of this bill as could possibly be presented. I have the greatest respect in the world for the senior Senator from Massachusetts, particularly in his capacity as chairman of the Naval Affairs Committee, and it is only with the greatest reluctance that I am forced to say that he leaves me completely unconvinced respecting the justification for the action which he seeks from the Senate.

So, Mr. President, I rise in opposition to this super-super-Navy bill. I do not believe it is justified by any conclusive demonstration of national necessity. I do not believe it is required by any rational estimate of an essential national defense. I do not believe it is warranted by any authentic executive disclosures.

With greatest respect for the opinions of Senators who conscientiously take a contrary view, I am driven to the conclusion that we are not entitled to put this new billion-dollar burden upon the backs of the American people, particularly at a moment when the public credit already is in dangerous jeopardy. A sound public credit is just as vital a part of the national defense as are battleships and armed battalions. I think the danger of national bankruptcy is far more realistic, infinitely more imminent, vastly more menacing to the integrity of the United States than is any danger of alien assault. I conceive it to be just as great a duty and responsibility to defend against the former as against the latter. Meanwhile, I am unable to assess the latter in any such present or prospective hazard—if we shall mind our own business and keep out of other people's wars—as to justify this pending super-super-Navy bill. I do not believe we are required, by our own defensive necessities, to join an international armaments race which we all have heretofore regarded as appallingly suicidal for other nations, and which becomes no less suicidal because we join in it ourselves.

Mr. President, I doubt if there is a Member of the Senate, I doubt if there is a rational-minded citizen in America, who has not said to himself in the course of the last 15 months that the rest of the world has gone utterly mad in respect to its armament competition. I submit that the world is no less mad because we associate ourselves with the insanity. I believe there is a better way. I propose, in these observations, to make this position wholly plain.

Let me remind the Senate and the country at the outset that this is no pacifist speaking. I have always believed in preparedness; and I believe in preparedness today. Any foreign chancellor who mistakes these remarks about this bill—or the attitude of millions of citizens who share this view—as indicative of the pursuit of "peace at any price" will be dreadfully disillusioned. There is no remote element of such surrender in my viewpoint. I have been in the Senate 10 years. During this decade I have voted for every Navy bill that has been presented. During these 10

years I have voted for a total of some \$4,000,000,000 for the Navy. Within the month I have voted for the regular 1939 naval appropriation bill with its \$549,000,000. Last year I voted for \$528,000,000.

These were the greatest peacetime appropriations ever dedicated to the Navy. They were staggering sums. Their magnitude was supported by the plea that nothing less would implement an adequate national defense. Many Senators were skeptical. They did not believe it was necessary for us to go so far. I gave the national defense the preference over my own doubts. I voted for these appropriations. I am not sorry. But, Mr. President, I am unable suddenly, and without convincing proofs, to abandon the belief, based upon the expert assurances given us in each instance, that this \$4,000,000,000 has bought us adequate naval preparedness. If it is to match the feverish armament hysteria in other lands that we are called summarily to pile new billions upon old, then the formula in this pending bill is not enough. If it is to serve some new but undisclosed American foreign policy, then I want first to pass upon the policy. If it is neither of these, then it is just a restless and fearful emotion to which my preparedness-devotion is not required to yield.

I have spoken, Mr. President, about the four billions of cash that I have joined in voting to the Navy during the past decade. There is another \$4,000,000,000 item which is of even greater importance, and which has a significance that should not be forgotten for a single moment while this super-super-Navy bill is under survey. I refer to the Vinson-Trammell Act of 1934. While there is no accurate estimate of the money value of new naval construction which was contained within the boundaries of the Vinson-Trammell Act—or at least we were unable to obtain any such figure from the able chairman of the Senate Naval Affairs Committee yesterday—nevertheless, since it comprehended complete replacement of the complete Navy within 20 years, and since the Navy itself represents a \$4,000,000,000 investment, so did the Vinson-Trammell Act. That act—and remember, it was passed back in 1934—authorized this vast and gigantic naval expansion to bring our fleet up to the treaty strength prescribed at Washington in 1922 and at London in 1930. We have not yet exhausted that authorization. We have not yet approached the naval strength already approved by the Congress. We are still far behind the existing program as of today. This year's regular naval appropriation bill, the \$549,000,000 monster, passed the House on January 21, 1938, on the basis recommended by the President and the Navy Department; and there was no demand in these recommendations for money to complete the existing program. Mark that well, that in January 1938—this year—there was no demand even to complete the existing program, although the armaments race elsewhere in the world had long been under way. The President's famous and still unexplained speech at Chicago on October 5, 1937, was 4 months old—the speech in which he found that—

The political situation in the world is such as to cause grave concern and anxiety to all the peoples and nations who wish to live in peace and amity with their neighbors—

And that—

The landmarks and traditions which have marked the progress of civilization toward a condition of law, order, and justice are being wiped away.

What I am trying to say is that the world unrest, the world arms competition, which are pleaded as the justification of this new super-super-Navy bill, were a long-established and a long-recognized fact in January 1938, when our regular annual naval appropriation bill was passed, without any effort or purpose to build our Navy up to the 1934 specifications.

There was no word from the President or the Department demanding that we build all that we are already authorized to build. Yet 1 week after the bill passed the House the President suddenly discovered the immediate need to pile \$1,000,000,000 worth of new authorizations on top of authorizations still unfulfilled. Why? What happened in that tel-

tele week? What so suddenly changed our defense necessities? Why were we faced with the demand for a billion dollars' worth of new and additional ships on January 28, when on January 21 there had been no demand even to build the ships already authorized?

I confess that I have never seen or heard a conclusive or even a plausible answer to these questions; and I, for one, demand an adequate answer before plunging into this new adventure.

Let me pursue the inquiry a little further, Mr. President. Without the new super-super-Navy bill, we already have four new battleships under actual construction. Without this bill the Navy Department has authority to construct nine more battleships within the next 5 years. At any rate, that is the information given the House. Slightly different information is given the Senate. There appears to be no stability in the information, even respecting the actual facts of the status quo as they exist today. But I shall rest this exhibit, for the moment, upon the situation as officially disclosed by the House.

I repeat that without the super-super-Navy bill we already have four new battleships under actual construction. Without this bill, the Navy Department has authority to construct 9 more battleships within the next 5 years, or a total of 13 new battleships, without a single word of new law. The bill raises the limit to 16, or, according to the figures submitted in the Senate yesterday, to 19.

It is no rebuttal to argue that the bulk of this construction is replacement, first, because the replaced ships are not to be decommissioned; and, second, because under any circumstances the limitations upon our construction resources are such that it would be years before all the new ships could be built. That being the indisputable case, since we inevitably deal with a prospectus rather than present reality—I almost said because we deal merely in bluff—why must we now pile Ossa on Pelion and charge the future with a battleship obligation which may be—and, pray God, will be—wholly unnecessary when the time arrives to lay down new keels?

I cannot overemphasize the fact that today, without one line of new authority, authority exists for \$650,000,000 worth of naval construction upon which not one nickel has been spent. I repeat, because it seems to me it is so fundamentally challenging, that in spite of this great reservoir of existing authorizations, in spite of what is claimed to be a world menace, as late as January 21, 1938, there was never a suggestion from the President or the Navy Department that we found ourselves in such a position that it was necessary to build up to the existing authorizations. No one has yet disclosed to the Senate or to the American people, who must foot the bill, what happened between January 21, 1938, and January 28, 1938, when all of a sudden we had to have a super-super billion-dollar addition to the Navy, over and above the authorizations already existing and unused.

Mr. BONE. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. BONE. Did the Senator say a billion-dollar addition?

Mr. VANDENBERG. I will say to the Senator from Washington that I am coming to the reality of the figures a little later.

Mr. BONE. I hope the Senator will not omit to discuss the character and the Gargantuan size of the bids which are now coming in. I am sure the Senator will abandon the billion-dollar estimate.

Mr. VANDENBERG. The suggestion that this is only a billion-dollar program is almost as fantastic as the program itself, as I shall disclose in a moment in connection with the figures. I completely agree with the viewpoint of my able friend from Washington.

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield to the Senator from Minnesota.

Mr. SHIPSTEAD. The Senator has referred to the program as fantastic. Can it be any more fantastic or any

more of a mystery than our foreign policy? As I understand, the Navy is supposed to be used to carry out our foreign policy. Can any Member of this body tell us what our foreign policy is?

Mr. VANDENBERG. The Senator is again anticipating me. When we finally have an expression of the mathematics, we confront precisely the challenge which is now submitted in the interrogatory of my able friend from Minnesota. In the final analysis, the necessity for armament is primarily dependent upon foreign policy. An adequate armament to implement the President's Chicago speech is one thing. An adequate armament to implement America attending to her own business is something else. I will say to the Senator that I shall come to that question very shortly.

Mr. President, I was discussing the existence of the unused authorizations. I could carry this sort of analysis into every nook and corner of this super-super-Navy bill. We have not built what we are already authorized to build; yet we are suddenly asked, in the name of emergency, to authorize more new construction which cannot, in reality, be reached for years to come. It just does not make sense.

The President and the Navy Department, charged with primary responsibility for an adequate national defense, did not find it necessary as late as last January to require immediate construction of all ships previously authorized. National security did not require it on January 21; but on January 28 national security suddenly required all that and \$1,000,000,000 more. I searched the story of that week in vain to discover what sudden jeopardy threatened the United States of which there had been no prior inkling. If such jeopardy is hidden from the public view, it should be disclosed. At least the Senate of the United States should have tangible and persuasive reasons for the sudden change in the estimates of our necessity. The world is no more on fire today than it was during all the past 12 months, when the President and the Navy Department made no demand on us to conclude the existing naval authorizations and to build what already had been authorized to be built, to the extent of more than \$600,000,000 worth of navy. If anything, the world's fires have somewhat subsided, particularly in the light of the new agreement between Great Britain and Italy, which helpfully relieves the situation at one of its most dangerous tension points.

What has happened, I again ask, since New Year's day to put us suddenly to the necessity of a new super-super-Navy, when prior to January 28 there was no necessity even to build the Navy already authorized? In the absence of anything but patriotic generalities, closely akin to hysteria, I am bound to believe that the President and the Navy Department were doing their full duty by their country and its national defense by their attitudes and recommendations prior to last January 28. Their full duty to the national security did not require immediate construction of the full Navy authorized in 1934, with no thought of these present super-super additions. In the absence of any rational explanation for a sudden change, I am unable to believe that my full duty to the national security now requires that I shall suddenly commit my country to a billion-dollar naval burden on top of the 1934 commitments, which are still unfulfilled to the tune of more than \$600,000,000.

Perhaps it will be said that time marches on with such ruthless speed, that history is writing with such a rushing pen, that the old program is already antiquated. It may be argued that yesterday's adequate national defense is tomorrow's inadequate national defense. This may be so, particularly since the battleships have had to go from 35,000 to 45,000 tons within the brief time since the House acted on this super-super-Navy bill, and during the 3 weeks the Senate committee has had it under consideration. That is almost as spectacular, almost as baffling, almost as ominous a development, almost as breathlessly swift as the quick shift in the basic program between January 21 and January 28. But such an argument, in attempted justification for this super-super-Navy bill, puts the whole program under skeptical sus-

picion. Will there be another shift in these necessities from 45,000- to 55,000-ton battleships before we can get the present program going? Where are the reliable and constant criteria as to what constitutes the necessities of an adequate national defense? Up to last week 35,000-ton ships sufficed. Now it takes 45,000-ton ships. What will it take next week? Where does this mad race for adequacy end? And does not the world end with it? Are we Americans bound to be as nervous and as restless and as jittery about these things as are the nations that crowd each other's boundaries in the Old World? May we not, at the very least, be a bit more deliberative about it? Despite all the foreshortening which now admittedly annihilates both time and space, is it not still true that two oceans are a special and precious dispensation to us in our scheme of national security?

I desire to repeat at this point what the Secretary of War said at Miami on March 15 last. I introduced his statement into the RECORD yesterday in connection with the address of the able Senator from North Dakota [Mr. Nye]. This is the Secretary of War speaking. He ought to know what he is talking about; he is certainly one of the official spokesmen for the Nation with respect to national security. Speaking at Miami, Fla., on March 15—and I quote from an Associated Press dispatch—Secretary of War Woodring said:

The United States is better prepared today than at any time in its history for whatever happens.

Mr. President, that is a pretty fair, sturdy, sterling commitment as to our state of preparedness. "Whatever happens" America is better prepared, according to the sitting Secretary of War, than it has ever been heretofore. That is reassurance from a high and authentic source. We are better prepared, says he, "for whatever happens" than at any other time in our history. Does that sustain the idea that we must now rush pell-mell into bankrupting and inconclusive experiments?

And, Mr. President, they are inconclusive experiments. The arts of mass murder—which is to say the mechanism of war—are refining themselves every hour of every day. Who knows what product of the devilish ingenuity of the brain of man will dominate the issue in this next war, which we discuss and against which we now rush to arms? Will it be a conflict in which lethal gases, rather than battleships and such, will hold the balance of power?

Mr. LA FOLLETTE. Mr. President, will the Senator yield? The PRESIDING OFFICER (Mr. FRAZIER in the chair). Does the Senator from Michigan yield to the Senator from Wisconsin?

Mr. VANDENBERG. I yield.

Mr. LA FOLLETTE. In view of the statement which the Senator from Michigan has quoted as coming from the Secretary of War, does the Senator attach any significance to the fact that neither the committee of the House nor the committee of the Senate consulted with or took the advice or testimony of any of the ranking officers of the Army in connection with the problem of national defense? Further, does not the Senator believe that in considering national defense it is vital that there should be a coordinated and well-rounded program as between the Army and the Navy?

Mr. VANDENBERG. I thank the Senator for the question and the implication which it carries. I did not know that neither of the civilian secretaries had testified in the hearings. I knew that professional soldiers and sailors—I do not say that invidiously—had testified.

Mr. LA FOLLETTE. My point is that no expert advice has been secured from the Army in connection with this proposed tremendous increase in our Naval Establishment, which it seems to me, as a layman, of necessity must, if it is to be a well-rounded program of national defense, have bearing and relation to the activities of the Army as well.

Mr. VANDENBERG. I completely agree with the viewpoint of the able Senator from Wisconsin.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield to my friend from Texas.

Mr. CONNALLY. Let me ask the Senator from Michigan is not the best army which the United States can have an invincible navy?

Mr. VANDENBERG. That is a very interesting statement and, of course, there is a large element of truth in it. But the fact remains that the best army the Navy can have is a good army after the Navy gets through.

Mr. CONNALLY. After the Navy is whipped; yes.

Mr. VANDENBERG. Or long before the Navy has completed its job.

Mr. BONE. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. BONE. I know we are going to hear a great deal of discussion on this bill about preparing for defense; and let it be understood—and I say once for all that if I am in error I hope someone will correct me—that the program contemplated will require not less than 10 years, and possibly 20 years, and this country could be wiped off the map in that time. It takes 5 years to build a battleship. We are doing violence to logic and reason in talking about building a navy to defend America in the emergency, when, according to every statement I have heard in the committee and elsewhere, it will take from 10 to 20 years to build this new navy. The assumption seems to be that we are facing a war tomorrow or next day or within the next 2 years, but the battleships which are now proposed, and those for which we have made appropriations, will not be finished for many years because of delayed appropriations.

Mr. VANDENBERG. The Senator is entirely correct.

Mr. BONE. Then all this talk about what the Navy can do, in the light of the statement of Admiral Leahy and in the light of the information the Congress has that this program will not be completed in from 10 to 20 years, is, to say the least, misleading.

Mr. VANDENBERG. The Senator is entirely correct. The able chairman of the Senate Committee on Naval Affairs, with his usual fine candor, very frankly indicated that it is a 10-year program.

Mr. BONE. In that event, why not have done with juggling facts and admit that we are going to build this navy not now but over a period of from 10 to 20 years? I suggest that because I think when Senators rise on the floor of this body and talk about this program, they ought to be fair with the country and not present a distorted picture of facts. That is precisely what much of this argument may result in. It is not fair to the American people to make them believe that we are building a great addition to the Navy to defend this country from a prospective foe within the next 2 or 3 years. This new navy may not be all built for a decade.

Mr. VANDENBERG. In other words, Mr. President, if there is any contemporary emergency of the nature which is pleaded by way of justification for this super-super program, it is an emergency that ought to require an immediate appropriation rather than a mere authorization for day after tomorrow. It ought to require construction at top speed, using all the resources available, realizing all the time that these resources are insufficient to permit a single new ship to be completed prior to 1942.

Mr. BONE. Mr. President, will the Senator yield further?

Mr. VANDENBERG. I yield.

Mr. BONE. I intend to submit some remarks on this subject at the proper time and to tender two amendments; but I believe that if one-tenth of what has been asserted about the danger to the Republic is true, then the other House of Congress and this body are recreant in their duty to America if they do not push the matter right now, crowd every shipyard in America, and with feverish haste prepare for the national defense concerning which so much has been said and will be said here. We could build this Navy in 4 or 5 years if we had the courage to expand our own navy yards and appropriate the money, but let us abandon a lot of this talk about some danger descending on us that will have to be met right away when we refuse to appropriate the money already authorized. Under the Vinson-Trammell Act we

could appropriate a huge sum right now. Depending on the cost of the ships, we could go ahead and build them without delay, if the crisis is real.

Mr. VANDENBERG. When I was interrupted, as I was very happy to be, I was discussing the fact that, even though at the moment we undertake a prodigal program, it is inevitably bound up in inconclusive experiments. I was saying that the arts of war are being refined by the devilish ingenuity of man at such a speed that no one can tell precisely what the element of control will be. If, as, and when we confront another emergency who knows but what the next conflict will be a conflict in which lethal gases rather than battleships and such will hold the balance of power. Will it be a conflict in rival chemistry? Will it be a plague of germs? "European governments jealously guard their new weapons," wrote Joseph Grigg, Jr., in the United Press 4 weeks ago. What are these new weapons? What is "adequate preparedness" against them? Can there be but one answer? The answer is that there is no such thing as "adequate preparedness" because there is no such thing as static specifications in the implements of war. We will be no surer of ourselves after the super-super-Navy bill shall have been passed than we were last New Years when the President and the Navy Department were quite content to live along in calm and orderly development under the untouched circumference of the Vinson-Trammell Act of 1934. The greatest assurance which we might hope to have, it seems to me, would be to husband our resources; not to dissipate them in a quick and hysterical effort suddenly to match the other fellow in kind; to protect the public credit, which is the final key to the national defense and the national security; to protect it against new authorizations of new and speculative billions; to have the resources, in the fatal hour of judgment, to meet whatever situation may ultimately develop, meanwhile carefully exploring and sensibly preparing against such an hour.

Mr. CONNALLY. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from Texas?

Mr. VANDENBERG. I yield.

Mr. CONNALLY. The Senator, as I understand, of course, is against this bill?

Mr. VANDENBERG. The Senator from Texas is entirely correct.

Mr. CONNALLY. He and the Senator from Washington [Mr. BONE] a moment ago were discussing the alternative of immediately beginning a building program, providing a navy just as quickly as we can do so. Does the Senator advocate that?

Mr. VANDENBERG. No. I shall present my own alternative in a very few moments, if the Senator can abide himself in peace until that time arrives.

Mr. CONNALLY. I beg the Senator's pardon. I thought I interrupted him with his consent.

Mr. VANDENBERG. Entirely with my consent; but I am answering the Senator's question.

Mr. CONNALLY. The Senator referred to the Senator from Texas abiding himself in peace. I am not hostile. I am seeking information.

Mr. VANDENBERG. I understand.

Mr. CONNALLY. But, as I understand, the Senator from Michigan is against this bill, and, on the other hand, he is not in favor of the other alternative of going ahead and doing now what the bill authorizes. When would the Senator do it?

Mr. VANDENBERG. The Senator from Michigan will make his position perfectly plain before he shall have concluded. He does not propose to have his course altered in the presentation of his argument.

Mr. CONNALLY. I thank the Senator. I hope he will not alter the course of national defense.

Mr. VANDENBERG. Mr. President, before I was interrupted the last time by the able Senator from Texas, I was trying to indicate the impossibility of knowing what adequate defense specifications are at a time when defense methods are changing so swiftly in the world. Why, Mr. President,

we even have an unliquidated argument right here at home, in connection with this super-super-Navy bill, as to whether battleships or aerial bombers are the preferable reliance for contemporary defense. I do not purpose to pose as an amateur admiral or as a curbstone technician in pretending to try to settle this dispute, although I confess to a nonexpert personal belief that the nation which is dominant in the air will be the victorious nation in another war, and I confess to a greater willingness to put our emphasis upon martial aviation than upon ships at sea. But that opinion deserves little weight. Yet the fact that the dispute exists among experts themselves is entitled to great weight when we are asked to decide whether now is the time to put another superbillion into the national defense along naval lines. If we could be placid and deliberative about these decisions as recently as last January 21, why must we rush to premature judgments 3 months later? To me it simply does not make sense.

We do not even know what may be the grim reality of the expense involved in this super-super program.

Since it was born yonder at the other end of the Capitol a few weeks ago, it has already grown from \$800,000,000 to \$1,156,000,000. It has grown at the rate of \$35,000,000 a week since it was born under congressional auspices, and even the original basic estimates are probably a snare and a delusion.

An original estimate of one billion dollars, made as late as last November, is ancient history, as the United States Maritime Commission discovered to its sorrow when it recently took bids on a fleet of tankers, and found the bids to average 50 percent higher than the estimates. Prices are calculated to go still higher up, instead of down, under the influence of the deliberate inflationary program upon which the administration is preparing to embark. But even if the price is tilted only 50 percent, the billion grows to a billion and a half. That is not all. Remember that the chief of the Navy has said that his full fleet ultimately needs 500 merchant marine auxiliaries to give it full efficiency, at a cost originally estimated at \$1,200,000,000, which would grow to \$1,800,000,000 on a 50-percent differential. Now we are crowding another \$4,000,000,000—the third time we have met that figure in this brief discussion. Just how much of this can the American taxpayer take? Just how much can the public credit stand, particularly at a moment when our internal situation is calling for stupendous sums to fight depression?

It is true that any investment is better and cheaper, as a matter of cold dollars and cents, to say nothing of precious human lives, than the cost of a war which the preparedness might avert. The last war cost this country \$66,000,000,000. It cost the world \$189,000,000,000, not counting destruction of property, loss of production, interruption of trade, and universal economic disarrangement. Economists have put the total cost at \$337,000,000,000, if there can be such a gargantuan figure.

Mr. NYE. Mr. President—

Mr. VANDENBERG. I yield to the Senator from North Dakota.

Mr. NYE. The Senator fixes at about \$66,000,000,000 the cost to the United States of its participation in the last war. Will he not make the further point that we have not yet paid the cost in its entirety, and that the \$66,000,000,000 will mount considerably before we see the end of that responsibility?

Mr. VANDENBERG. There is not any doubt in the world about that, because the war itself completely upset not only the economy of the world but the character of the world, and God only knows when the last bill will be paid.

In the World War it cost \$25,000 to kill each soldier. What a travesty on civilization. Taken with the infinitely greater challenge that lies in the sacrifice of human life, what a black condemnation of all war as an instrumentality of national policy. What a mandate to avoid war whenever it can be honorably averted. How utterly insane the whole war scheme of things is. How desperately important it becomes that all nations and all peoples should put themselves relentlessly to

the task of ending war, and that our America should be particularly zealous to keep out of other people's wars by avoiding every international alliance or entanglement or commitment which might needlessly take us into avoidable war.

But we were discussing the wisdom of investing in preparedness in order to avoid, if possible, the subsequent necessity of investing in war itself. I am one of those who frankly believe that an adequate national defense is good war insurance. But I also am one of those who believe that excessive armaments are likely one day to encourage their own use in self-justification of their existence. The problem, of course, is to get the former without the latter. I believe we had an adequate national defense, made and in the making, when the regular appropriation bills—bigger than ever before in any peacetime era—recently went through Congress. I believe the President and the departments thought so when they made their regular budgets. I believe they thought so on January 21. If they changed their minds between January 21 and January 28, I can only say, with great respect, that they have disclosed nothing to make me change mine. If we are to arm on a basis which would make us theoretically impregnable against a combination of all the other major powers, then the super-super-Navy envisioned by the pending bill is not enough; it is just an aggravation. We should require a super-super-super-super-Navy and all that goes with it. No one has yet had the temerity to suggest such a thing. Well, then, if we are not to arm against them all, just how many of them in concert shall we arm against? And where, for us, are these hostile probabilities? It seems to me that it is the simple truth and elemental sanity that the national security requires of us only that we be reasonably prepared to defend our shores against normal expectancy of trouble, if trouble comes; and I am unable to read into any expert testimony that has yet come to my notice that we are not reasonably prepared in the programs already under way.

To say that we must be proportionately influenced by arms madness under other flags is to say that we shall be cursed by the intimate frictions and jealousies and suspicions and imperial aspirations in other lands which have induced this madness elsewhere. But I comparably find none of these frictions and jealousies and suspicions and imperial aspirations related to our situation. I want America to be strong in her might of righteousness and to be obviously able to preserve her own independence and integrity. I shall never consciously vote her into any physical inferiority which might encourage a designing foe to think our conquest easy. But, in the circumstances which I discuss, I am unable to believe, I repeat, that this calls us to match arms with other nations that are beset by vicissitudes to which we are relatively immune. Where would any other policy take us—contemplating 40,000,000 men, equipped with the deadliest weapons ever invented, ready to march and fight in the next European war?

That is the continental status at this moment, and if we are to proceed upon the matching theory, ship for ship and man for man, put 40,000,000 men under arms beneath our flag tonight. Then you match, and until you have done so you cannot justify your theory of national security. But I submit that such a theory is not only indefensible, not only utterly impossible of achievement, but that it lacks every element of sane reality in respect to the position which America occupies in the world.

The truth of the matter is, Mr. President, that our defense needs—our national security needs—are far more intimately attuned to our own foreign policies than to any other factor in the world. Our own foreign policies can have more to do with our naval needs than the naval might of other powers. I do not mean—nor do I remotely infer—that our foreign policy should be so supine and surrendering as to seek peace at any price. That would not—could not—be America. But I do mean that an American foreign policy which avoids all foreign entanglements and essentially minds its own business requires far less navy than an American foreign policy which might aspire to police the world. I do mean that a lesser navy can adequately implement an American foreign policy

built upon Washington's Farewell Address than would be required to implement an American foreign policy built either upon the doctrine of the League of Nations or upon President Roosevelt's Chicago speech last October. That speech has never been explained. It twice called for "concerted effort" on the part of some nations, obviously including our own, against other nations. It called for "quarantines," which is certainly a synonym for "sanctions." It sounded like the Franklin D. Roosevelt who campaigned for Vice President in 1920 on a League of Nations platform.

What is the American foreign policy to which this proposed super-super-Navy shall be related? That is another of the unanswered questions. O Mr. President, we are entirely surrounded by unanswered questions when we seek to find reality in this program now pending for our vote. Whither shall we sail—and why? Was the American Foreign Policy Association right, in its bulletin of last February 11, when it said:

In the minds of many . . . critics the evidence, while not conclusive, confirms other indications that the Navy is in fact designed to serve as an active instrument of diplomacy in the present far eastern crisis.

That could still be part of a purely defensive national program, I suppose. But if we are voting "an active instrument of diplomacy," whether in Asia or in any other place, we are engaged in an enterprise which moves out of the Navy Department and over into the State Department. It may involve many things besides our own immediate physical security. At least, it deepens the mystery for me as to why an adequate-plus navy on January 21 suddenly became an inadequate navy on January 28. Certainly it puts the question of "foreign policy" ahead of "naval policy," and it poses the unanswered question: What American foreign policy requires this new super-super-Navy? Then comes the next question: Is it a change in American foreign policy which requires this sudden change in naval policy? If so, what change? And shall the Senate approve it in the dark?

I am unable, Mr. President, to dismiss these considerations of foreign policy from the reasons which, unwittingly or otherwise, may motivate this super-super-Navy bill. The Constitution lodges large primary discretions in the Chief Executive in the conduct of foreign relations. This necessarily is so; and I would not trespass upon these Executive prerogatives. On the other hand, the Congress is a constitutional partner with the President in any declaration of war. We must share that critical responsibility. Yet, in the very nature of the case, the Executive—moved, of course, by wholly patriotic sincerities, which are no less to be respected than our own—the Executive may, in the exercise of his preliminary prerogatives, commit us to a course from which it is impossible with honor to recede. Under all these circumstances there is a mutuality of interest in foreign policies that may lead to war.

The President says that he hates war. Of course, I take him at his word. I know that the American people hate war and desire to keep out of it—short of national dishonor or the surrender of national independence. They particularly want us to mind our own business, so far as possible, and keep out of other people's wars. They want none of the international sanctions which would identify and punish aggressors in unrelated quarters of the globe. They want none of the "concerted efforts" or the "quarantines" to which the President addressed himself approvingly at Chicago last fall. Yet here is a super-supernavy bill which has no factual justification in any present hazards to which we may be exposed. It is unrelated to the national security as we see it at this hour, or as the President and his Navy Department saw it less than 3 months ago. Has it any hidden implications? What are these purposes to use this Navy as "an active instrument of diplomacy" to which the Foreign Policy Association refers? What diplomacy? Where? How? And to what end? The lack of other adequately persuasive reasons for the super-super-Navy leaves an emphasis upon this "diplomacy" phase, which requires far more convincing information and reassurances than are thus far available

to those who would justify their approval of this startling and utterly burdensome measure.

But I hasten to add, Mr. President, that there is one diplomatic field in these connections where there must still be hope, unless the world, ourselves included, is bent on suicide. There is one diplomatic enterprise which I should like to encourage. I refer to another final, emphatic effort to bring the world back from its dulled senses to a realization of actuality in behalf of an agreement to limit armaments. I know that the prospects of success would not be too cheerful—although it is always darkest just before the dawn, and the nearer a disease approaches to a crisis, the nearer it approaches to a cure. I know that our own diplomatic authorities frown upon further contemporary efforts in this direction. But it is just so elemental in its logic—a logic that actually is sustained rather than discouraged by the desperate plight in which the whole world finds itself today—that I am unable to believe that a rational approach to the subject would be denied all possibility of success.

So long as the naval effort, here and elsewhere, is to build in unlimited competition with others—and every country insanely does it—there is a never-ending, serial enlargement of objectives, each new ship under one flag being feverishly matched by a corresponding ship under other flags. The international relationship is never leveled off. No one ever actually catches up. Instead, there is simply a relentless and hysterical rise in the line of whatever international naval inequality existed before each of us set out to match the other. That is precisely what we are doing in this bill. Because others expand, we are told that we must expand. But the effect of our expansions will be precisely the same upon the other fellow. He will argue as do we. Once more he will lift his limits. So once more we lift ours. It is ever a stern chase, each of us on the trail of the other, none of us ever reaching stabilized par. The end is never the relative theoretical security which each one of us sets out to get. The end always is precisely the same relative insecurity, even from the standpoint of those who would build navies on this theory. The end is insecurity—plus the final bankruptcy of civilization. Each one of us is Sisyphus, rolling a stone uphill that never reaches the top.

If we must all build relative navies—if national security is to be measured solely in relative armaments, which is the theory of this bill—the only way in which it can be dependably obtained, even by so rich a country as America, which can ultimately afford to outbuild every other power on earth, is by international agreement upon mutual limitations. I am frank to say, Mr. President, that I infinitely prefer that method to international bankruptcy and chaos by mutual rivalries.

But, it is immediately declared, today's naval rivals are so bloodthirstily intent upon preparedness that they are in no mood to talk of mutual limitations; and even if they were, there could be no reliance upon their pledged word in a sanguinary era when might seems to be the sole measure of right. In my opinion, however, the truth of that assessment depends entirely upon the basis on which limitations may be sought. If sought on a realistic basis, which takes account of things as they are, whether we like them or not, these contemporary conditions might hasten rather than discourage an agreement upon mutual limitations.

I agree that there could be no hope of concord upon a naval formula which, like the last broken ratio, forces an outmoded measure of inferiority upon nations which no longer intend to accept inferiority, and which are proving their ability to escape it. It may well be argued that it is to escape from this inferiority that other powers have set the new naval tempo which is now said to require of us the most staggering naval expenditures we have ever faced. Out of the lessons of Versailles we ought to know that the most dangerous thing the world can do is to attempt to dictate inferiority to any of its major sectors.

What I am saying is that any realist will recognize that any lingering insistence upon an old 5-5-3-2-2 naval ratio

which may have been justified 15 years ago is not justified today by the sheer force of facts as they are. Suppose our invitation to discuss naval limitations were frankly to admit this fact, which it is folly to ignore. There undoubtedly continue to be relative differences in defensive needs, based upon physical responsibilities. But an arbitrary "inferiority" based on ancient history is something else. Suppose our invitation to discuss new limitations were frankly to confront this status quo and suggest a new consideration of limitations de novo. Is it impossible that such an attitude might sweep away at one stroke the feeling of discrimination which is at least partially at the base of today's suicidal naval competitions? Might it not hope to terminate the competitions themselves? Would not the same national prides and national motives which now strive against inferiority through rival construction be somewhat hospitable to a much speedier and surer termination of inferiority through mutual agreement; and might not self-interest permanently police these agreements?

It may be said that some of us might thus give away some sort of an existing advantage. What advantage? Has not our own former ratio advantage all but disappeared, in terms of actual construction, over the years? And is not the pending super-super-Navy bill merely an authorization which it will take years to conclude? If there is an advantage, is it not largely fictitious? Which is better, which is safer in terms of national security, to watch and then join a mad naval competition which never ends until somebody's national credit totally collapses, and in which the relative "advantage" is ever a speculative factor, or to grip the tangible advantage of a mutual limitation agreement which defends every major power according to its realistic down-to-date needs and then protects this status by contract?

Yes; the world knows that we always have been and still are ready to agree to limitations—although everything we have said upon the subject has been in stubborn fidelity to the ancient ratios, which may still be right, but which may now be wrong. But do we know that the world is not ready to join us in saving itself in kind?

I offer just one incidental exhibit, a recent quotation from Mr. Walter Lippmann, as follows:

Tokyo's refusal to disclose its naval program begins with an avowal that Japan "is prompted by a spirit of nonmenace and nonaggression" and concludes with a declaration that Japan "will be ready at any time to enter into any discussion on the matter of disarmament that gives primary importance to fair, quantitative limitations."

No invitation to discuss disarmament can, it seems to me, be prudently ignored by the administration when it is asking for an authorization to increase the Navy; the fact that so considerable a number in Congress and among the people are opposed to naval expansion makes it important that the administration should not seem to be rejecting any chance to avoid a race of armaments. There is nothing to be lost by taking the Japanese at their word.

A GOOD THING IN EITHER CASE

If the basis for an argument can be found, obviously it will be a good thing. If it cannot be found, the fact of having made a sincere effort to find such a basis will place the administration on firmer ground and insure it more united popular support.

Mr. President, if the other major naval powers, frankly conferring in the presence of each other, should decline mutual limitation agreements, based upon today's needs and today's realities, and forgetting all historic inferiorities, thus stabilizing the world's navies on a rational basis, then I should feel greatly different about our own requirement in the presence of unreasoning rivalry and potential war. But until a new naval limitation conference fails, on this basis of down-to-date reality—and I cannot overemphasize the necessity that it should be down to date—I decline to believe that our wholesome and justified contribution to our own welfare and that of the world is to join and thus encourage this international insanity.

For the reasons I have given, I shall, at the moment, vote against this super-super-Navy bill.

DEPARTMENTS OF STATE, JUSTICE, ETC., APPROPRIATIONS—CONFERENCE REPORT

Mr. McKELLAR submitted the following conference report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9544) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1939, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 10, 12, 13, 24, 27, 29, 31, 33, 36, 37, 46, 47, 48, 49, and 50.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 4, 5, 6, 16, 20, 22, 23, 25, 32, 33, 39, 41, 42, 44, 45, 52, 53, 54, 56, 57, and 58, and agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment, insert "\$25,000"; and the Senate agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment, amended to read as follows: "Provided, That 5 per centum of the foregoing amounts shall be available interchangeably for expenditures in the various offices and divisions named, but not more than 5 per centum shall be added to the amount appropriated for any one of said offices or divisions and any interchange of appropriations hereunder shall be reported to Congress in the annual Budget"; and the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$185,000"; and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following: "or the head of the division"; and the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$430,660"; and the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$3,634,440"; and the Senate agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$3,010,000"; and the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$2,191,140"; and the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment amended to read as follows: "None of the funds appropriated by this title may be used to pay the compensation of any person hereafter employed as an attorney unless such person shall be duly licensed and authorized to practice as an attorney under the laws of a State, Territory, or the District of Columbia."

And the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$4,575,000"; and the Senate agree to the same.

Amendment numbered 28: That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$6,758,680"; and the Senate agree to the same.

Amendment numbered 30: That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$1,249,800"; and the Senate agree to the same.

Amendment numbered 34: That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following:

"No part of the funds herein appropriated for the Bureau of Foreign and Domestic Commerce shall be used to pay the salary of any employee or officer, other than the Director and Assistant Directors, engaged on regular work of the Bureau within the continental limits of the United States, for a period longer than three

consecutive months, at an annual rate in excess of \$7,000 per annum."

And the Senate agree to the same.

Amendment numbered 35: That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$100,000"; and the Senate agree to the same.

Amendment numbered 40: That the House recede from its disagreement to the amendment of the Senate numbered 40, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$80,000"; and the Senate agree to the same.

Amendment numbered 43: That the House recede from its disagreement to the amendment of the Senate numbered 43, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following: "of which sum \$7,440 shall be available for temporary employees"; and the Senate agree to the same.

Amendment numbered 55: That the House recede from its disagreement to the amendment of the Senate numbered 55, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following: "of which \$50,000 shall be used for increased compensation to persons receiving less than \$2,000 per annum"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 14, 15, and 51.

KENNETH McKELLAR,
R. B. RUSSELL, Jr.,
PAT MCCARRAN,
KEY PITTMAN,
FREDERICK HALE,

Managers on the part of the Senate.

THOS. S. McMILLAN,
M. C. TAEVER,
JAMES MCANDREWS,
LOUIS C. RABAUT,
MILLARD CALDWELL,
ROBERT L. BACON

(Except as to amendment 34),

ALBERT E. CARTER,

Managers on the part of the House.

Mr. McKELLAR. I move the adoption of the conference report.

Mr. McNARY. Mr. President, I am not sufficiently conversant with the amendment numbers to recall just what they specify in the House and Senate bills. I think a statement should be made of what occurred in conference.

Mr. McKELLAR. I shall be very happy to do that. There were quite a number of very small differences. The differences between the two Houses were not great.

Mr. McNARY. I do not wish to be technical in the matter. I do not care for an explanation of minor items, but were there not some major controversies before the conferees?

Mr. McKELLAR. I do not recall any major controversies in the case of this particular bill. This is the bill making appropriations for the Departments of State, Justice, Commerce, and Labor.

Mr. McNARY. I understand.

Mr. McKELLAR. A few additional items added by the Senate constituted the only differences in the case of the State Department appropriations. The principal contention made in reference to the State Department was with respect to the proposal to allow the State Department to use 10 percent of the appropriations interchangeably because of the difference in rates of exchange. The provision inserted in the Senate, that the State Department may use as much as 10 percent interchangeably among the various purposes for which the appropriations are made has been agreed to by the House.

Mr. McNARY. I should call that provision one of the major controversies. It was discussed in the Senate.

Mr. McKELLAR. Yes.

Mr. McNARY. It was not taken back to the House for a vote, but was agreed to by the conferees?

Mr. McKELLAR. It was agreed to by the conferees.

Mr. McNARY. Has the conference agreement been submitted to the House?

Mr. McKELLAR. The report has been agreed to by the House.

I will say that the principal differences with respect to appropriations for the Department of Justice were in con-

nection with marshals and district attorneys. The lowest limit of pay was made \$1,800.

With respect to appropriations for the Department of Labor, there were practically no changes, or very few changes. In fact, there were very few changes in the entire bill.

One change has been agreed to which I think I should explain when the time comes. The first thing to do is to adopt the conference report, after which I shall move that the Senate concur in the amendment of the House to the amendment of the Senate numbered 51.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

The PRESIDING OFFICER laid before the Senate the action of the House of Representatives on certain amendments of the Senate, which was read, as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S.,

April 21, 1938.

Resolved, That the House recede from its disagreement to the amendments of the Senate numbered 14 and 15 to the bill (H. R. 9544) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1939, and for other purposes, and concur therein; and

That the House recede from its disagreement to the amendment of the Senate numbered 51 to said bill and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment insert:

"Construction of fish screens: For construction, operation, and maintenance, in cooperation with the Bureau of Reclamation and the Bureau of Indian Affairs, or either, of fish screens and ladders on Federal irrigation projects, and for the conduct of investigations and surveys, the preparation of designs, and supervision of construction of such screens and ladders; and for determining the requirements for fishways and other fish-protective devices at dams constructed under licenses issued by the Federal Power Commission in accordance with the provisions of the Federal Water Power Act (16 U. S. C. 791), \$20,000, of which not to exceed \$6,400 may be expended for the pay of permanent employees."

Mr. McKELLAR. Mr. President, amendment numbered 51 was offered on the floor of the Senate by the Senator from Montana [Mr. WHEELER]. The amendment merely provided for the construction of fish screens on Federal irrigation projects, and the sum of \$20,000 was appropriated for that purpose. The House insisted upon an amendment which I shall read at this time. After the words "fish screens and ladders on Federal irrigation projects," these words were inserted by the House:

and for the conduct of investigations and surveys, the preparation of designs, and supervision of construction of such screens and ladders; and for determining the requirements for fishways and other fish protective devices at dams constructed under licenses issued by the Federal Power Commission in accordance with the provisions of the Federal Water Power Act.

That amendment was agreed to by the House as an amendment to the Senate amendment.

I now move that the Senate concur in the amendment of the House to the amendment of the Senate numbered 51.

Mr. McNARY. Mr. President, may I inquire whether the Senator from Montana [Mr. WHEELER] has been consulted about the matter?

Mr. McKELLAR. Yes; he has been consulted. It is his amendment, and he is entirely satisfied.

The PRESIDING OFFICER. The question is on the motion of the Senator from Tennessee.

The motion was agreed to.

NAVAL APPROPRIATIONS—CONFERENCE REPORT

Mr. BYRNES submitted the following conference report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8993) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1939, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1, 2, 3, 4, 5, 6, 7, 8, 9, 11, 12, 13, 14, 15, 21, 22, 23, 25, 26, 28, 31, 32, 39, 43, 44, 45, and 46.

That the House recede from its disagreement to the amendments of the Senate numbered 10, 20, 29, 33, 34, 35, 36, 37, 38, 40, 41, and 42, and agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$35,457,649"; and the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$1,716,318"; and the Senate agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment amended to read as follows: "except not more than one officer of the rank of rear admiral"; and the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$47,368,478"; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment, as follows: In lieu of the sum proposed, insert "\$176,841,282"; and the Senate agree to the same.

Amendment numbered 27: That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment, as follows: In lieu of the sum proposed, insert "\$200,940,752"; and the Senate agree to the same.

Amendment numbered 30: That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment, amended to read as follows:

"STRATEGIC AND CRITICAL MATERIALS"

"For the procurement and transportation of strategic and critical materials, \$500,000, to remain available until expended: *Provided*, That materials acquired hereunder shall not be issued for current use in time of peace without the approval of the Secretary of the Navy, except that materials acquired under this title may be issued for current use when replaced by materials purchased from current appropriations: *Provided further*, That for the purposes of this paragraph, the Secretary of the Navy shall determine what materials are strategic and critical."

And the Senate agree to the same.

JAMES F. BYRNES,
DAVID I. WALSH,
FREDERICK HALE,

Managers on the part of the Senate.

WILLIAM B. UMSTEAD,
W. R. THOM,
J. G. SCRUGHAM,
JOSEPH E. CASEY,
CHARLES A. PLUMLEY,

Managers on the part of the House.

The report was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Calloway, one of its reading clerks, announced that the House had insisted upon its amendments to the bill (S. 371) for the relief of William R. Kellogg, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. KENNEDY of Maryland, Mr. RAMSPECK, and Mr. CARLSON were appointed managers on the part of the House at the conference.

The message also announced that the House insisted upon its amendments to the bill (S. 1043) for the relief of A. C. Williams, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. KENNEDY of Maryland, Mr. RAMSPECK, and Mr. CARLSON were appointed managers on the part of the House at the conference.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1882) for the relief of the Consolidated Aircraft Corporation.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 1948) conferring jurisdiction upon the United States District Court

for the District of Massachusetts to hear, determine, and render judgment upon the claims of certain property holders within the Old Harbor Village area of Boston, Mass., asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. KENNEDY of Maryland, Mr. RAMSPECK, and Mr. CARLSON were appointed managers on the part of the House at the conference.

The message further announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 2191) for the relief of Roberta Carr, asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. KENNEDY of Maryland, Mr. RAMSPECK, and Mr. CARLSON were appointed managers on the part of the House at the conference.

The message further announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 2362) for the relief of Henry M. Hyer, asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. KENNEDY of Maryland, Mr. RAMSPECK, and Mr. CARLSON were appointed managers on the part of the House at the conference.

The message further announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 2665) for the relief of W. D. Presley, asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. KENNEDY of Maryland, Mr. RAMSPECK, and Mr. CARLSON were appointed managers on the part of the House at the conference.

The message also announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 6618) for the relief of Miriam Grant, asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. KENNEDY of Maryland, Mr. RAMSPECK, and Mr. CARLSON were appointed managers on the part of the House at the conference.

The message further announced that the House had severally agreed to the amendments of the Senate to the following bills of the House:

H. R. 3915. An act conferring jurisdiction upon the United States District Court for the Eastern District of Virginia to hear, determine, and render judgment upon the claim of the Tidewater Construction Corporation;

H. R. 5338. An act for the relief of George Shade and Vava Shade;

H. R. 5731. An act for the relief of Ruth Rule, a minor;

H. R. 5737. An act to confer jurisdiction on the Court of Claims to hear, determine, and render judgment upon the claim of George W. Hall against the United States; and

H. R. 6370. An act for the relief of John Calareso, a minor.

The message also announced that the House had agreed to the concurrent resolution (S. Con. Res. 30) rescinding the action of the presiding officers in signing the enrolled bill (H. R. 5793) for the relief of Josephine Fontana, and authorizing its reenrollment with amendments.

ENROLLED BILL AND JOINT RESOLUTIONS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bill and joint resolutions, and they were signed by the Vice President:

H. R. 9257. An act to extend the time for completing the construction of a bridge across the St. Clair River at or near Port Huron, Mich.;

H. J. Res. 463. Joint resolution to permit the transportation of passengers by Canadian passenger vessels between the port of Rochester, N. Y., and the port of Alexandria Bay, N. Y., on Lake Ontario and the St. Lawrence River; and

H. J. Res. 627. Joint resolution providing an additional appropriation for the Civilian Conservation Corps for the fiscal year ending June 30, 1939.

NAVAL EXPANSION PROGRAM

The Senate resumed the consideration of the bill (H. R. 9218) to establish the composition of the United States Navy, to authorize the construction of certain naval vessels, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing on the first committee amendment, on page 2 of the naval expansion bill.

Mr. NYE. Mr. President, the junior Senator from Minnesota [Mr. LUNDEEN] is prepared to speak upon the bill. I believe he has been momentarily called from the Chamber. I therefore feel under obligation to suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Davis	Johnson, Colo.	Pope
Andrews	Dieterich	King	Radcliffe
Ashurst	Donahay	La Follette	Reames
Austin	Duffy	Lee	Reynolds
Bailey	Ellender	Lewis	Russell
Bankhead	Frazier	Lodge	Schwellenbach
Barkley	George	Logan	Sheppard
Berry	Gerry	Loneragan	Shipstead
Bilbo	Gibson	Lundeen	Smathers
Bone	Gillette	McCarran	Smith
Borah	Glass	McGill	Thomas, Okla.
Brown, Mich.	Green	McKellar	Thomas, Utah
Brown, N. H.	Guffey	McNary	Townsend
Bulkeley	Hale	Maloney	Truman
Bulow	Harrison	Miller	Tydings
Burke	Hatch	Minton	Vandenberg
Byrd	Hayden	Murray	Van Nuys
Byrnes	Herring	Neely	Wagner
Capper	Hill	Norris	Walsh
Caraway	Hitchcock	Nye	Wheeler
Chavez	Holt	O'Mahoney	White
Connally	Hughes	Overton	
Copeland	Johnson, Calif.	Pittman	

The PRESIDING OFFICER. Ninety Senators have answered to their names. A quorum is present.

Mr. LUNDEEN. Mr. President, I have just received a letter from the head of the department of history and political science of the University of Delaware relating to an interview with Henry Clay by Gov. Louis Kossuth, the distinguished Hungarian patriot, in 1852. The letter reads:

UNIVERSITY OF DELAWARE,
DEPARTMENT OF HISTORY AND POLITICAL SCIENCE,
Newark, Del., April 18, 1938.

HON. ERNEST LUNDEEN,

Senate Office Building, Washington, D. C.

DEAR SENATOR LUNDEEN: In compliance with your request, I enclose herewith a carbon copy of an extract from the New York City Council's book on the visit of Kossuth in this country. It relates to Kossuth's interview with Henry Clay in 1852, a few months before the death of the latter in Washington, D. C. It forms, therefore, a sort of "farewell testament" by Henry Clay on American foreign policy. As it is the only copy that I have, I should appreciate its return when your secretary has copied it. I was very glad to have seen you again and to have met Mrs. Lundeen and I hope the pleasure will soon be repeated.

Very sincerely yours,

GEORGE H. RYDEN,

Chairman, Department of History and Political Science.

I think this statement, coming from the lips of that great statesman, Henry Clay, is most remarkable, and in some respects, at least, fits the situation which we are facing in the debate upon the pending naval expansion bill. I think I shall read it:

FAREWELL ADDRESS OF HENRY CLAY

M. Kossuth was introduced by Mr. Cass.

On being presented to Mr. Clay, who rose to receive him, "Sir," said he, "I thank you for the honor of this interview."

"I beg you to believe," said Mr. Clay, interrupting him, "that it is I who am honored. Will you be pleased to be seated?"

After the mutual interchange of civilities, "I owe you, sir," said Mr. Clay, "an apology for not having acceded before to the desire you were kind enough to intimate more than once to see me. But really my health has been so feeble that I did not dare to hazard the excitement of so interesting an interview. Besides, sir," he added, with some pleasantry, "your wonderful and fascinating eloquence has mesmerized so large a portion of our people wherever you have gone, and even some of our Members of Congress," waving his hand toward the two or three gentlemen who were present, "that I feared to come under its influence, lest you might shake my faith in some principles in regard to the foreign policy of this Government, which I have long and constantly cherished. And in regard to this matter you will allow me, I hope, to speak with that sincerity and candor which becomes the interest the subject has for you and myself, and which is due to us both as the votaries of freedom. I trust you will believe me, too, when I tell you that I entertain ever the liveliest sympathies in every struggle for liberty in Hungary and in every country. And in this

I believe I express the universal sentiment of my countrymen. But, sir, for the sake of my country, you must allow me to protest against the policy you propose to her."

LET SENATORS REMEMBER THESE WORDS

Senators will remember that this is Henry Clay speaking to the great patriot from Hungary, who was appealing for help for his country, struggling for liberty. We have here the words of the great statesman who once said, "I would rather be right than be President."

QUOTING HENRY CLAY ON AMERICAN FOREIGN POLICY

Waiving the grave and momentous question of the right of one nation to assume the executive power among nations, for the enforcement of international law, or of the right of the United States to dictate to Russia the character of her relations with the nations around her, let us come at once to the practical consideration of the matter. You tell us, yourself, with great truth and propriety, that mere sympathy, or the expression of sympathy, cannot advance your purposes. You require material aid.

MATERIAL AID ASKED BY HUNGARY

And, indeed, it is manifest that the mere declarations of the sympathy of Congress, or of the President, or of the public, would be of little avail, unless we were prepared to enforce these declarations by a resort to arms, and unless other nations could see that preparation and determination upon our part. Well, sir, suppose that war should be the issue of the course you propose to us, could we then effect anything for you, ourselves, or the cause of liberty? To transport men and arms across the ocean in sufficient numbers and quantities, to be effective against Russia and Austria, would be impossible.

SECOND WAR WITH GREAT BRITAIN

It is a fact which, perhaps, may not be generally known, that the most imperative reason with Great Britain for the close of her last war with us, was the immense cost of, and the transportation and maintenance of forces, and munitions of war, on such a distant theater, and yet she had not, perhaps, more than 30,000 men upon this continent at any time. Upon land Russia is invulnerable to us, as we are to her. Upon the ocean, a war between Russia and this country would result in the mutual annoyance to commerce, but probably in little else. I learned recently that her war marine is superior to that of any nation in Europe, except, perhaps, Great Britain. Her ports are few, her commerce limited; while we, on our part, would offer, as a prey to her cruisers, a rich and extensive commerce.

OUR ANCIENT AND FIXED FOREIGN POLICY

Thus, sir, after effecting nothing in such a war, after abandoning our ancient policy of amity and nonintervention in the affairs of other nations, and thus justifying them in abandoning the terms of forbearance and nonintervention, which they have hitherto preserved toward us; after the downfall, perhaps, of the friends of liberal institutions in Europe; for despots, imitating, and provoked by our fatal example, may turn upon us in the hour of our weakness and exhaustion, and with an almost equally irresistible force of reason, and of arms, they may say to us, "You have set us the example; you have quit your own to stand on foreign ground; you have abandoned the policy you professed in the day of your weakness, to interfere in the affairs of the people upon this continent, in behalf of those principles the supremacy of which, you say, is necessary to your prosperity, to your existence. We, in our turn, believing that your anarchical doctrines are destructive of, and that monarchical principles are essential to, the peace, security, and happiness of our subjects, will obliterate the bed which has nourished such noxious weeds; we will crush you, as the propagandists of doctrines so destructive of the peace and good order of the world."

OUR WORLD WAR EXPERIENCE

How strangely reminiscent that is of our experience in the World War.

The indomitable spirit of our people—

Says Henry Clay—

might and would be equal to the emergency, and we might remain unsubdued, even by so tremendous a combination, but the consequences to us would be terrible enough. You must allow me, sir, to speak thus freely, as I feel deeply, though my opinion may be of but little import, as the expression of a dying man.

Sir, the recent melancholy subversion of the republican Government of France—and that enlightened nation voluntarily placing its neck under the yoke of despotism—teach us to despair of any present success for liberal institutions in Europe; it gives us an impressive warning not to rely upon others for the vindication of our principles but to look to ourselves, and to cherish, with more care than ever, the security of our institutions, and the preservation of our policy and principles. By the policy to which we have adhered since the days of Washington—

FOREIGN POLICY OF WASHINGTON AND CLAY

Mark these words—

By the policy to which we have adhered since the days of Washington—

These words were uttered in 1852—

SAVING THE WORLD BY EXAMPLE "LET YOUR LAMPS SO SHINE"

we have prospered beyond precedent; we have done more for the cause of liberty in the world than arms could effect; we have shown to other nations the way to greatness and happiness. And if we but continue united as one people, and persevere in the policy which our experience has so clearly and triumphantly vindicated, we may, in another quarter of a century, furnish an example which the reason of the world cannot resist. But if we should involve ourselves in the tangled web of European politics, in a war by which we could effect nothing; and if in that struggle Hungary should go down, and we should go down with her, where, then, would be the last hope of the friends of freedom throughout the world? Far better is it for ourselves, for Hungary, and for the cause of liberty, that, adhering to our wise pacific system, and avoiding the distant wars of Europe, we should keep our lamp burning brightly on this western shore, as a light to all nations, than to hazard its utter extinction, amid the ruins of fallen or falling republics in Europe.

KEEPING OUR LAMPS BURNING BRIGHTLY ON THIS WESTERN SHORE

Throughout Mr. Clay's remarks M. Kossuth listened with the utmost interest and attention; and, indeed, throughout the whole interview he illustrated the rare combination of the profoundest respect without the smallest sacrifice of his personal dignity, exhibiting in all his bearing the most finished and attractive stamp which can be given to the true metal of genius. He did not enter, in his turn, upon a controversy of Mr. Clay's views, but began by stating what he thought the reasons of the repeated failures to establish liberal institutions in France. Education and political information, he said, did not descend very deep into the masses of the French people; as an illustration of which fact he stated that hundreds of thousands, when voting for the first time to elevate Louis Napoleon to the Presidency, thought the old Emperor was still alive and imprisoned, and that the vote they then gave would effect his deliverance. He gradually diverted his remarks to the affairs of Hungary, Austria, Russia, and Turkey; speaking of the exaggerated estimate of the strength of Russia; of the strength and weakness of Turkey—her strength, which consisted in her immense land force, and especially in her militia, or "landwehr," as he termed it; her weakness, which was the liability of the assault of Constantinople by sea. And here, apparently, in allusion to Mr. Clay's conviction of our being unable to effect anything in a European war, he spoke of the material aid which might be rendered Turkey in a war with Russia by a naval force for the protection of her capital. After a series of entertaining and instructive remarks about the condition and prospects of Europe generally, he rose to depart.

EVERY GREAT AMERICAN ADHERED TO THE SAME FOREIGN POLICY

Mr. Clay rose and bade him farewell forever, with the utmost cordiality and the kindest sympathy beaming in his face and suffusing his eyes, and grasping Kossuth's hand, he said, "God bless you and your family. God bless your country, may she yet be free."

Kossuth, apparently overwhelmed by the warm and earnest sympathy thus exhibited for himself, his suffering family and country, profoundly bowing, pressed Mr. Clay's hand to his heart and replied, in tones of deep emotion, "I thank you, honored sir. I shall pray for every day that your health may be restored and that God may prolong your life." Mr. Clay's eyes filled with tears; he again pressed the hand which clasped his own, probably for the last time, but he could say no more.

Thus closed one of the most interesting scenes it has ever been the fortune of man to witness.

HENRY CLAY A WASHINGTON AND JEFFERSON AMERICAN

Mr. President, I desire to say that this was, in effect, the farewell address of Henry Clay to the American people. I hope the Members of this great deliberative body, where Henry Clay once stood and where he once reasoned with Senators, will regard and consider and weigh his words in this hour.

Mr. NYE. Mr. President, I am very happy that the Senator from Minnesota [Mr. LUNDEEN] has seen fit to bring into the consideration of this naval program the human element which he has injected. One does not, of course, consider the pending bill without first acknowledging that behind it is a policy other than a naval policy; that behind this program is a foreign policy. The Senator from Michigan [Mr. VANDENBERG], who spoke so eloquently and in so unanswerable a way this afternoon, made very clear the thought which prevailed in my mind, that almost overnight, so far as our Government is concerned, there has developed a change in our foreign policy. What was not required a few weeks or a few months ago, under what was then our foreign policy, now seems to be very much required.

Mr. SHIPSTEAD. Mr. President—

The PRESIDING OFFICER (Mr. MCGILL in the chair). Does the Senator from North Dakota yield to the Senator from Minnesota?

Mr. NYE. I do.

Mr. SHIPSTEAD. Can the Senator state what our foreign policy was before the 26th of January, or after the 28th of January?

Mr. NYE. Mr. President, no one has undertaken to explain what our foreign policy was, to say nothing of offering an explanation as to what it is.

Mr. SHIPSTEAD. Would it not be well to find out what our foreign policy is before we enunciate a naval policy?

Mr. NYE. Has the Senator from Minnesota any thought as to how we might proceed to ascertain what is our foreign policy?

Mr. SHIPSTEAD. I know nothing except some loose talk about "quarantining" peoples who think differently from the way we think. We used to send missionaries with Bibles all over the world to induce the people of other countries to adopt Christian teachings. I am wondering if it is contemplated to send battleships and cruisers and bombing planes as missionaries to foreign countries to do missionary work among people whom we consider to be political heathen, or who have been called "outlaws" because they have done what every nation in the world has done; namely, broken and violated treaties.

If we are going to punish people who have violated treaties, we ought to begin at home, and punish ourselves. We, together with the Allies, violated a treaty when we broke the promise of the armistice which ended the last war, and inaugurated the hunger blockade that starved the population of Germany. If we are going to bring equity and justice to the world, we ourselves ought to go into court with clean hands. I think the first thing we ought to do is to find out what our foreign policy is, and shape our naval policy accordingly.

Mr. NYE. Obviously it is very, very unfair to turn to Congress and ask for an outlay of more than a billion dollars to back up or support a policy about which we know nothing. I think it is very unfair to present this demand for a larger naval appropriation without making clear to the Congress what is its purpose. What are the things we are seeking to provide for, or provide against, by this obviously mad program, this mad effort on our part to get into the foreign armament race which the Senator from Michigan [Mr. VANDENBERG] so adequately presented this afternoon?

Mr. CONNALLY. Mr. President, will the Senator yield? The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Texas?

Mr. NYE. Yes; I yield.

Mr. CONNALLY. I do not like to interrupt the Senator, and yet I cannot resist referring to some of the things the Senator has said.

The Senator says we ought not to do anything until we determine what our foreign policy is. Is it not true that the policy of this bill is the policy of self-defense against any warlike, treaty-defying international outlaw that may attack us? Is not that the policy of the bill?

Mr. NYE. That is declared to be the policy of the bill.

Mr. CONNALLY. Is the Senator prepared to say that those of us who are supporting the bill are not supporting it for that reason?

Mr. NYE. No; I am not prepared to say anything of the kind.

Mr. CONNALLY. Is the Senator a believer in the theory of waiting until after we are licked and then building a navy?

Mr. NYE. Oh, certainly not; and no one else in the Senate entertains any such theory as that; but the point has been made again and again and again, and it will be made again and again and again through this debate, that we are adequately prepared against any such emergency as the Senator from Texas suggests may be our lot, provided we here in America are ready to confine ourselves to minding our own business, and do not take upon our shoulders the re-

sponsibilities and the quarrels of other nations across one ocean or the other.

Mr. BONE. Mr. President, will the Senator yield?

Mr. NYE. I yield to the Senator from Washington.

Mr. BONE. When we go probing and plumbing into the attitudes of minds of Members of the Senate as to whether we are going to get licked, and how we are going to get licked, and when we are going to get licked, as was suggested by a recent question, the question immediately confronts us, who is going to lick us, and when are they going to do it? And if that horrible, cataclysmic thing is going to overwhelm us, then why are we postponing building this navy for 10 years or 20 years?

I want to know where this unutterable, ghastly, Gargantuan horror is that impels us to engage in all this conversation, instead of voting the money right now to build a navy, and crowd our navy yards, and go ahead and build it. The trouble is that though we are told that the one thing we need to fear is fear, all we talk about on this floor is fear. If it is a real fear, and men honestly believe it, in God's name, then, let us vote the money to build this navy now!

Mr. CONNALLY. Mr. President, will the Senator from Washington vote to build the Navy now?

Mr. BONE. Yes; if what the Senator from Texas says is true, I will vote to build it now.

Mr. CONNALLY. Regardless of whether or not what I say is true, does the Senator favor building the Navy right now, and will he vote to do it?

Mr. BONE. The Senator from Texas expresses a fear, not I. If the Senator from Texas believes there is cause for the fear, his duty as an American citizen and as a Senator of the United States is to amend the pending bill to carry appropriations to build this navy, and defy the very thing that he sets up as a threatening, impending catastrophe for this country.

Let us quit talking about fear, or else be men enough to vote the money to repel the attack that the Senator says is going to be made on us. Let us either do that or quit talking about fear. If this thing is real, then our duty as patriotic Americans is to vote the money now and quit talking about fears that may have no foundation in fact. If they have a foundation in fact, then the duty of the Senator from Texas is very plain.

Mr. CONNALLY. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Texas?

Mr. NYE. I yield.

Mr. CONNALLY. Allow me to say, in response to the very enthusiastic and distempered statement of the Senator from Washington, that the Senator from Texas has not been talking about fear.

Mr. BONE. I know it; but the Senator from Texas has been talking about our being licked.

Mr. CONNALLY. Yes.

Mr. BONE. Licked by whom and when? If the Senator from Texas knows we are going to be licked, let him tell us who is going to do it, when, and why.

Mr. CONNALLY. All right; I will tell the Senator.

Mr. BONE. Well, tell us. That is the important thing.

Mr. CONNALLY. If we are not prepared, we shall be licked by anybody.

Mr. BONE. Then why wait 20 years to be prepared?

Mr. CONNALLY. The Senator from Texas is supporting this bill. The Senator from Washington is fighting this bill.

Mr. BONE. Will the Senator point out one utterance of mine fighting this bill? I have told the Senator I would vote the money to build this navy. I voted to report the bill.

Mr. CONNALLY. Is the Senator supporting the bill?

Mr. BONE. The Senator will learn what my views are when I take the floor to discuss the bill; but the Senator from Texas has talked about fears, fears, fears.

Mr. CONNALLY. The Senator from Texas has never used the word "fear" until it was introduced into the debate by others.

Mr. BONE. The Senator has used the term about being whipped.

Mr. CONNALLY. Yes.

Mr. BONE. By whom and when?

Mr. CONNALLY. I will tell the Senator.

Mr. BONE. Very well.

Mr. CONNALLY. The Senator from Washington wants to know by whom we are going to be whipped. The Senator from Texas is for a policy that will not permit anybody to whip us, and that is to be ready when any of the international outlaws shall attack us. I am surprised that a Senator from the Pacific coast who reads the newspapers, and listens to the radio as its throbbing pulsations carry the news across the Pacific, cannot understand what has been transpiring in the world in recent years.

I marvel that the Senator from Washington cannot envisage any dangers when he listens to what is transpiring in Europe, with ambitious masters, proponents of imperialism, hungry for conquest, grabbing new lands and bringing under their dominion new territories.

The Senator from Texas does not believe in fear. The man who does not fear is the man who is prepared to meet dangers when they come. The one who believes in fear is one who is unprotected and undefended, and who quivers and shakes in his boots when any outlaw walks the streets shooting off his pistol. The city that has peace is the city that has a police force that is not afraid of outlaws, because the police, too, are armed. They, too, are prepared to meet attacks.

The Senator from Washington says he supported this bill in the committee and that he voted to report it. He declines to say whether or not he is now going to support it. I am ready to vote for this bill to build a navy in 10 years; and if the naval authorities tell me they can build it by tomorrow at noon, I will vote for that. I want to be ready, not only during my lifetime but during the lifetime of my son and his children, and, if need be, his children's children. Democracy and democratic institutions are challenged all over the earth today, and America has to be prepared to fight if necessary to maintain those institutions.

Mr. President, I thank the Senator from North Dakota for his kindness in yielding to me a moment.

Mr. NYE. I am glad to yield to the Senator.

Mr. CONNALLY. Mr. President, some Senators say it is going to take 10 years to build this navy, and they say, "Let us not build it at all; it will take 10 years." The fact that it will take 10 years to do it is one of the strongest reasons for starting on it now. If we wait 10 years more, we will have to start again. If it will take 5 years, very well; let us start. If it will take 1 year, let us start. The Senator from Texas believes that it is much better for the United States to serve notice that in this time, when democracy and democratic institutions are being challenged all over the world, America proposes to let those who challenge her democratic institutions know that we are going to build a navy as great as any navy that floats on the seven seas, and if they want to come here and challenge it, we will not meet them after they get in the front door, we will not wait until they come and land on our shores, we will not wait until they invade our homesteads and our farms, but we will meet them on the ocean, and we will destroy them before they can ever set an unhallowed foot upon our territory. That is the doctrine of the Senator from Texas. If that may be called a doctrine of fear, well and good. But fear is not necessarily caution. Fear and wisdom do not mean the same thing. China believed in not building a navy. She believed in peace. She believed in staying at home and not spending any money for defense. What is happening to China now? Do we want that to happen to us? If taking measures to prevent that sort of thing indicates fear, let it be called fear.

Mr. President, 150 years ago American patriots, in order to establish democratic institutions, had to take up the sword against the mother country. They won independence because they were ready to fight. They won independence because they were willing to take up the sword when

conciliation and conferences and discussions around the table with the ministers of England failed. They won independence and established on this hemisphere a great republic, and did it with the sword. I hope and pray God that we will never have another war. God knows I do not want my son, or my neighbor's son, or the sons of other Senators, ever to be called to the battlefield, and the best way to keep them from being called to the battlefield is to let the aggressor nations, the international outlaws, the swashbuckling dictators, know in advance that America is going to have as good a navy as there is on this revolving globe. If we can avoid war, let us avoid it; but if nothing will do them but to challenge the might and the majesty of this Republic, then there is no other thing for this Republic to do but to meet them out yonder at sea and destroy them before they can land upon American soil. That is the doctrine of the Senator from Texas.

Mr. BONE. Mr. President, will the Senator from North Dakota yield?

Mr. NYE. I yield.

Mr. BONE. The Senator from North Dakota is so good-natured I do not like to ask him to yield his time, but the discussion is getting far afield. All this going back and discussing American history to justify a viewpoint about the necessity for immediate expenditures is wholly beside the point.

Every American may well shiver in his boots at the gory picture painted by the Senator from Texas about an immediate attack upon us, but if that attack is going to come, then certainly we confront the stern duty of doing something right now, and not building this great Navy at sometime in the future.

Let us examine the record for a moment. The Senator, of course, tries to place me in the position of fighting the bill, which is not unusual in tactics on this floor. Distorting another man's viewpoint is far from unusual.

Mr. CONNALLY. Mr. President, I am willing—

Mr. BONE. I do not want my viewpoint distorted. If the Senator from Texas would express his own viewpoint and not assume to express the viewpoints of others, this would be a much happier body. We will be much happier if the Senator will discuss the altogether charming Texas viewpoint, and not speak for the Pacific coast.

Mr. CONNALLY. I would not assume to discuss the Senator's viewpoint, because nobody knows what it is.

Mr. BONE. The Senator seems to have had a hard time making up his mind about what ought to be done, because at one moment he is aghast at the terrible horror that is about to overwhelm us, and he speaks the next moment of building a navy to protect his son and his grandson.

Mr. NYE. Mr. President, if the Senator will pardon me, what is the Senator's thought concerning the merit of a navy that we may build between now and 10 years from now so far as the Senator's great, great, great, great grandchildren are concerned?

Mr. BONE. He is like a man sitting down at a table and making an agreement with himself to build a room on his house 2 years from now. He has the money to build it now, but he decides that in the interest of more pleasant housing arrangements he will build it 2 years from now. But he wants to start boasting what he will do 2 years from now. If he wants the room, he can build it, but manifestly if not having it now is going to result in some evil condition descending on his family right now, then he ought to build it now—not 2 years or 10 years from now.

The point I am making, I say to the Senator from North Dakota, is this: I assume that everything that has been said on this floor about the possible horrors that may soon overwhelm America is true. If all that is true, then we ought not to postpone the building of the Navy for 10 years.

We have plenty of authorization to build now. I hope I shall be able to make that very plain when I get around to it. I served on the Committee on Naval Affairs. I know what we authorized under the Vinson-Trammell Act. I helped report it and get it through, and I think I am quali-

fied to express an opinion on what can be done under that liberal authorization.

When Admiral Leahy was before the Senate Committee on Naval Affairs only a few days ago he was asked some questions by members of the committee. Senator BYRD, for instance, asked:

The total authorization of this bill is \$1,100,000,000 approximately; is that right?

Of course, the Senator was perfectly sincere and honest in asking his question, but the figure is misleading, because it may ultimately be \$2,000,000,000. It is an authorization for tonnage, not money, and by the time the bids are finally plucked out of the superstratosphere; if we can finally get them out of the empyrean, where they are now, and down to mother earth, we will probably find that it will cost us, not \$1,100,000,000, but \$2,000,000,000, under the proposed authorization.

Admiral Leahy answered that that was true. Since that time, by increasing the tonnages in the pending bill, we are going to add to the authorization for the expenditure of money. Senator BYRD asked:

How much would that increase the appropriation bill for this year?

Admiral Leahy replied:

That can only be decided when a decision is reached as to how rapidly this program should go forward.

The admiral did not appear to be worried about somebody trying to take America, or conquer her, tomorrow. He was thinking in terms of long-range planning for an enemy that might try to overwhelm us in the next 10 to 20 years.

I should think it would be safe to divide that total by 10 for the average annual expenditure.

This proposed increase is to be added by only 10 percent a year, so this enemy which is at our gates, thundering at our doors and putting its cloven as well as mailed hoofs on the hearthstones of American homes, appears not to be a menace of tomorrow, but of the decade that lies ahead.

Senator BYRD asked:

And you think the increased cost to the Treasury would be approximately \$150,000,000 a year?

Admiral Leahy replied that he thought it would be about one-tenth of the total estimated amount necessary each year. Then I asked Admiral Leahy:

Admiral, does this program cover a 10-year period?

Let me read his answer. Let Senators consider this answer as we contemplate the Banquo's ghost of war which shakes its gory locks at us here in the Senate.

Admiral LEAHY. The program has not been worked out to that extent, Senator. I have been endeavoring to study a 10-year program of construction to complete this authorization, but it has not yet been completed. It might take longer than that, and it would not be likely to consume less time.

That is the statement of Admiral Leahy, and Senators will find in further observations in the report of the Naval Affairs Committee, I think, statements to the effect that the program might conceivably extend over a period of 20 years.

What I am getting at, in summarizing my whole position, is this: Assuming there is danger of this country facing war because of the unsettled conditions of the world and Senators honestly believe that—then we ought not to postpone this program, but should appropriate the money and rush it through our navy yards as fast as possible.

Several years ago on the floor of this body, in 1934, in fact, I urged that our Navy yards be expanded so as to handle a program, to meet this alleged, or assumed, or actual, or real threat to America, but the Senate repelled my suggestion. Now we are told we are facing immediate trouble, an awful crisis. Some of us have begged and pleaded on the floor of this body that our navy yards be put in such condition that when the danger became real and terrifying, and when it became exigent, we could meet it promptly with expanded facilities.

If we have defaulted in our duty to America we cannot blame anyone but ourselves. I have stood on the Senate floor year after year and begged and pleaded that our navy yards be expanded sufficiently to handle this kind of work, and to do all of it for us, and Admiral Leahy says it cannot be done over a short period of time, because it would create too great a "hump" in the work load. The admiral stated in reply to a question asked him by the Senator from Virginia [Mr. BYRD] that if we did all this work at once it would create a hump in the work that the Navy contemplated, and disarrange their ordered schedules. It is not that delay is going to injure "America," but a delay is going to injure the "work program." I happened to have heard those arguments, and Senators who are members of the Naval Affairs Committee and who are on the floor today heard this discussion of "proper work loads."

Mr. LUNDEEN. Mr. President, will the Senator yield?

Mr. NYE. I yield.

Mr. LUNDEEN. I understand that the senior Senator from Michigan [Mr. VANDENBERG] found, upon investigation, that the total cost of the Navy during the last 10 years was \$4,000,000,000?

Mr. NYE. That is, that the Congress has appropriated \$4,000,000,000 for the Navy in the last 10 years.

Mr. LUNDEEN. In the last 10 years we have appropriated a total of \$4,000,000,000 for the Navy. Yet we hear able Senators stand on the floor of the Senate and place us in a class with China. We have appropriated \$4,000,000,000 for the Navy in the last 10 years, and Senators present who voted for the appropriation of that money, and who are speaking against the pending bill, are held up before the American public as trying to place America in the same class with China. Mr. President, any country which attacks America on any of its coasts, north, southeast, or west, or within the territorial waters of the United States, will find an antagonist somewhat different from China. The ships built by the \$4,000,000,000 which have been appropriated, will be ready to meet the invader, and he will find on those ships officers and men who are courageous and efficient.

Mr. NYE. Mr. President, it seems to me the Senator could go a step further and make point of the fact that it had been demonstrated on the floor of the Senate that in some quarters there is such complete dissatisfaction with our naval strength of today as to indicate that in some minds at least we are wholly unprepared or that our Navy is not worth anything at all to us. As the Senator from Minnesota has just said, some would say that we are in the same identical position as China is today, even though during the last 10 years we have spent \$4,000,000,000 on our Navy. That view is held by some, even though we have spent \$4,000,000,000 in the last 10 years to bring our Navy up to a point where we hoped it amounted to something in the way of national defense. But now, it is said that we are where China is today even after we have made all that expenditure. The same argument will be made after we appropriate a billion dollars more. The same argument will be made after we shall have appropriated \$10,000,000,000 more. It will still be said that we are inadequately prepared for the emergencies that men can create in their minds and fancies.

Mr. LUNDEEN. Mr. President, if the Senator will further permit me, I should like to say that I have heard more insults hurled at the magnificent and invincible American Navy upon the floor of the Senate in the last 2 days than I have ever before heard. I hope I shall not hear any more of them. I think such statements are a reflection upon the officers and the men on the ships of our Navy which we have built with the huge sums of money we have appropriated.

Mr. BONE. Mr. President, will the Senator permit me to make an observation at this point?

Mr. NYE. I yield.

Mr. BONE. I wish to say to the able and esteemed Senator from Minnesota that if the bids which come from private shipbuilding interests on the fighting ships proposed to be constructed are anything like we have a right to assume they will be, those interests are going to take the

American taxpayer to the cleaners so thoroughly that they are likely to make a financial Chinaman out of him before they are through with this program. [Laughter in the galleries.]

Mr. NYE. I thank the Senator for that observation. And while I heard a little snickering and laughter around through the galleries, it is not altogether a laughing matter. It is quite as serious as the Senator from Washington would make it.

Mr. President, yesterday we heard the point made that the United States may be in some jeopardy if certain foreign powers should combine against us. We were told by the chairman of the Naval Affairs Committee that a combination between Germany and Japan might cause us a great deal of misery so far as naval encounters are concerned; that if Russia and Germany and Japan joined hands we would have something to worry about, or if Germany, Italy, and Japan were to join hands we would have a real task on our hands with our present naval strength.

Mr. President, I know that every Senator will shudder at the thought of the possibility of Japan and Russia joining hands to make war against the United States. I suppose there is real fear of the day when Russia and Italy will join hands to give combat to the United States, when they will come to our shores to make war against us.

I wish to speak just a little concerning the strength of the navies of these combinations of nations compared to our Navy as of today, or that which is already authorized by the existing law. In the Senate yesterday the Senator from Massachusetts, the chairman of the Naval Affairs Committee, declared that "a combination of German and Japanese sea power" or the navies of Russia and Japan together could successfully attack the present United States Navy. This assertion, which is frequently made, deserves close analysis and a categorical answer. The facts can be readily ascertained from official documents. The following points are, to say the least, pertinent.

In the Anglo-German naval agreement signed on June 18, 1935, Germany accepted a "permanent" ratio of 35 to 100 in relation to Great Britain. This agreement is most explicit. I quote from the agreement:

The ratio of 35 to 100 is to be a permanent relationship; that is, the total tonnage of the German fleet shall never exceed the percentage of 35 of the aggregate of actual tonnages of members of the British Commonwealth of Nations.

Germany will adhere to the ratio 35 to 100 in all circumstances; that is, the ratio will not be affected by the construction of other powers. If the general equilibrium of naval armaments, as normally maintained in the past, should be violently upset by any abnormal and exceptional construction by other powers, the German Government reserves the right to invite His Majesty's Government to examine the new situation thus created.

At the time this agreement was signed the total tonnage permitted to Germany was only 60,000 tons of under-age vessels. The total permitted under the new agreement was 420,000 tons, a figure which has increased somewhat since Great Britain began her naval expansion program.

At the present time, however, March 15, 1938, Germany has only 67 under-age ships totaling 103,674 tons. Counting obsolete or over-age ships and including all vessels building or authorized, Germany's total tonnage is 426,364 tons.

In agreeing to the 35 percent limitation, Germany formally announced its decision not to attempt to challenge British or Japanese supremacy on the seas. The new German fleet is designed primarily for service on the Baltic and it cannot operate in the North Sea or the Atlantic without the permission of Great Britain.

Such a fleet, even if it could get out of the Baltic, would be incapable of crossing the Atlantic and operating against a hostile force thousands of miles from its base.

There is little accurate information about the size of the Russian Navy. Information compiled by our Navy Department and published in the committee print prepared by the chairman of the Senate Naval Affairs Committee gives the present strength in under-age vessels as 193,390 tons.

Counting over-age vessels and also ships building and appropriated for, Russia's maximum strength is estimated at 276,313 tons.

The Italian Navy, which has also on occasion been included in a possible hostile combination is limited to operations in the Mediterranean and the Red Sea. Both outlets from the Mediterranean—Gibraltar and Suez—are controlled by Great Britain. The total tonnage of the Italian Navy today consists of 373,319 tons in under-age ships or a total tonnage, counting over-age vessels and ships building and appropriated for, of 641,000 tons.

A summary of the comparative strength of the combinations conjured up by the chairman of the Naval Affairs Committee are shown in a table which I ask to be included in my remarks at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

The table is as follows:

Comparative strength in ships built, building, and appropriated for

	Number	Approximate tons
United States.....	412	1,419,495
Germany.....	125	426,364
Japan.....	224	854,196
Total.....	349	1,280,560
Russia.....	261	276,313
Germany.....	125	426,364
Japan.....	224	854,196
Total.....	610	1,556,873
Germany.....	125	426,364
Italy.....	291	641,000
Japan.....	224	854,196
Total.....	640	1,921,560

Mr. NYE. I point out that from this table it will be observed that the United States has 412 ships built, building, or appropriated for, with an approximate tonnage of 1,419,000 tons. If Germany and Japan were to combine their naval preparations against us, they would have to bring across both oceans 349 ships, with a total tonnage of 1,280,000 tons, to give combat to our 412 ships, with an approximate tonnage of 1,419,000 tons. Everyone knows that a nation engaging in naval operations as far away from home as Germany and Japan would be if they chose to attack us would need far more ships to be successful in such an engagement. But assume that Russia, Germany, and Japan should combine and move all their naval strength against us. In that event we should have only 412 ships against 610 ships of the combination of our three enemies, but the total tonnage which the three enemies would have available to bring into play against us would be only 1,556,000 tons, as against 1,419,000 tons which are ours. In other words, so far as tonnage is concerned, we are prepared to go half way across the Atlantic and the Pacific and meet the naval strength of these three nations in combination, with virtually the same identical tonnage to draw upon.

Mr. LUNDEEN. Mr. President—

Mr. NYE. Just one more point.

Suppose the combination chosen against us were to consist of Germany, Italy, and Japan. Such a combination would give us an opposition of 640 ships, as against our 412 ships. In that event the enemy would have a total tonnage of 1,921,000 tons, as against our tonnage of 1,419,000 tons.

I now yield to the Senator from Minnesota.

Mr. LUNDEEN. Is it not true that when the enemy approaches our shores he must have a preponderance of tonnage of at least 2 to 1?

Mr. NYE. That conclusion has been reached again and again by naval experts.

Mr. LUNDEEN. So I understand. In most instances the combined navies of foreign powers would have a tonnage inferior to ours, as I understand the figures. Therefore, it must be assumed from the reasoning of our opponents that,

man for man, our personnel is inferior. I do not accept such reasoning. Man for man, the Army and Navy of the United States will measure up to those of any other nation in the world—and I think would prove superior—in combat courage and efficiency. The reasoning of our opponents is merely a continuation of slighting remarks against the Navy of the United States.

Mr. NYE. It is precisely that; and I thank the Senator for his observation.

I hope the Members of the Senate will give study to the table which I have just introduced into the Record, showing the strength of possible combinations against us, compared with our strength. In that connection I hope Senators will constantly remember that naval experts have testified upon many occasions that the combat strength of a navy operating far from its own base decreases as much as 40 percent. In order successfully to plan any attack on the United States in the Western Hemisphere, any hostile combination would need a superiority of at least 2 to 1 over the United States, as the Senator has suggested. Even the combined strength of the three powers last referred to does not provide any such ratio.

Mr. President, when the debate is renewed next week I shall have some information to bring to bear having relation to the fear which is being injected into American homes, offices, and shops, that some terrible foreign influence from across the Atlantic is at work among our neighbors in South America, the intent always being to cause us to believe that foreign powers are determined to establish bases in South America which will enable them to accomplish a better approach to what is alleged to be their desire to make war against the United States.

When Italy, Germany, Japan, or any other power which is alleged to entertain an appetite for any part or share in the United States is at liberty to leave its troubles and difficulties at home, no present Member of the Senate will be alive to see that particular experience. For generations to come, none of the European powers will be permitted to turn its eyes for more than a moment from its immediate dangers and threats at home. Nevertheless, some Americans will give ear to the thought that great jeopardy awaits our country just around the corner by reason of the plans of foreign dictators to move in on South American republics, and establish bases there to make trouble for the United States.

Mr. LEWIS. Mr. President, will the Senator yield?

Mr. NYE. I gladly yield to the Senator from Illinois.

Mr. LEWIS. As the leader of the group of Senators who desire to make known their views in opposition to the bill, the Senator a moment ago spoke about the debate being continued on Monday. Am I to understand that the Senator expresses on his own behalf a desire to suspend at this point and continue on Monday?

Mr. NYE. I have no desire to continue on Monday. I understand that a colleague hopes to obtain recognition when the Senate convenes on Monday. The Senator is very considerate in suggesting that a recess at this time may be in order.

Mr. LEWIS. The Senator has been engaged in debate for a considerable number of hours; and if he feels that he would be accommodated by a recess at this point, and prefers to suspend, such a desire, of course, would make an appeal to me, if the Senator desires to be relieved from any further physical effort this afternoon.

Mr. NYE. The Senator is very considerate; but any degree of fatigue which is mine at this stage is occasioned by the fact that I have done considerable yielding to other Senators this afternoon. Before the Senate takes a recess today I should like to round out an argument which I started yesterday, and which I should like to complete this afternoon.

Mr. LUNDEEN. Mr. President, will the Senator yield?

Mr. NYE. I yield.

Mr. LUNDEEN. Before the Senator proceeds, I should like to call attention to an article in which I believe Senators will be interested. It is entitled, "What Is Our Foreign

Policy?" and is found in Harper's Magazine for May. The title further reads: "Where Are You Going, Mr. President? Notes on the Trend of Our Foreign Policy, by Hubert Herring." I believe Senators will find much interesting information in the article, and that it will be of value in considering the subject matter of this great debate.

Mr. NYE. May I ask the Senator to give again the name of the author of the article to which he refers?

Mr. LUNDEEN. Mr. Hubert Herring is the author; and the subject is "Where are you going, Mr. President?" The article appears in Harper's Magazine for May.

Mr. NYE. I am glad the Senator brings the article to the attention of the Senate. If the article is as fine a piece of work as a recent book by the same author which has come from the Yale University press, I am sure it will merit the attention of Senators. The volume to which I refer is entitled "And So to War." I had hoped to make reference to it today. One of the chapters of this splendid book by Mr. Herring is entitled "The March of 1917," which we today know was the march to war. This chapter is followed by a chapter under the title "The March of 1938." Any Senator who can sit down and give thought and study and heed to the step-by-step progress of the past few months, under the title "The March of 1938," and feel that the United States is entertaining any real assurance of ability to fulfill her resolve to stay at home and mind her own business, keeping out of other people's wars, does not possess the degree of intelligence with which I credit every Member of this body. I hope the article to which the Senator from Minnesota refers may be found as interesting and worth while as the book "And So to War."

I had hoped this afternoon to substantiate the contention that behind the new naval policy is a new foreign policy, knowledge of which has not yet been shared with the Congress of the United States. In the light of what happened beginning with the President's address at a certain bridge dedication in Chicago last October, I think it altogether fair to say that our policy, our course of recent months, is wholly contrary to the spirit and the wish of the American people, most of whom must realize the direction in which we are headed at this hour.

However highly resolved may be the American people to avoid participation in another foreign war, taking the irons out of the fire for other nations thousands of miles away from our own shores, however high may be their resolve to avoid such an experience, unless they are on their guard, unless they more closely watch their step, one morning—who knows how soon?—we shall find ourselves confronted with a situation which will make it extremely difficult, even for men of high resolve here in the Senate and in the House of Representatives, to stand up and oppose what at the moment may seem to be a step the United States ought to take, a step that we are committed to take, though the people and the Congress will have had no hand in making the particular commitment.

The resolve of the American people today to stay at home and mind their own business and to have our Government pursue a course and a policy of minding its own business is a resolve which everyone has observed in no uncertain way during the last several months. It has been a resolve evidently that has been embarrassing at moments to some in authority who have discovered that the American people are not easily moved, are not easily made to accept what is given to them as being a moral challenge, a challenge to America's great obligations to the world. However embarrassing it may be to some men, that resolve is the best thing that democracy has today, and unless that resolve can be maintained and can prevail, I wonder if there is anyone prepared to say how long the greatest democracy of them all will live. I think it is pretty generally agreed that if our country were to participate in another war of such magnitude as was the last war, however successful we might be in winning such a war, even though it might again be a war "to make the world safe for democracy," the chances are a hundred to one that at the end of that war not even our own democracy would survive.

Where does this resolve of the American people come from; where does it have its birth? I should like, as I know Americans generally should like, to believe that the resolve to avoid another experience like that of 20 years ago grows out of the memory of broken homes and the heart-break that came to so many of our people. I should like to believe that our resolve today is largely determined by the living and moving monuments which we observe in every community in this land in the form of men who gave so largely of themselves in the last war. I should like to believe that our high American resolve to have no more of that thing called foreign wars grows out of the experience of men and women who may occasionally visit the veterans' hospitals of the land and observe there are terrible consequences of war. I should like to believe our American resolve is traceable to a desire to avoid a recurrence of that kind of thing. I do not like to acknowledge, but, in all frankness and fairness, I think it ought to be acknowledged, that those probably are not the guiding, moving considerations which have made Americans so highly resolved to stay out of another foreign engagement.

What is it, then, that today moves Americans into this determined position that we find them occupying, to mind our own business, to have nothing to do with other people's wars? Where does it have its birth? I think that resolve has its birth more largely than anywhere else in the individual pocketbooks of the American people; the purses that are being drawn upon to pay the bill that grew out of that experience of 20 years ago, a bill that is not going to be paid in full by this generation, a bill that we are going to pass on even to unborn generations to share in large part; and who knows but what the second and third generations will have to get under that load of cost and debt which was caused by our participation in the last war?

We listened this afternoon to the Senator from Michigan [Mr. VANDENBERG] revealing what seemed to stagger some minds in the Senate, that our total outlay thus far by reason of our participation for 2 years in the World War was \$66,000,000,000. Calvin Coolidge asserted before his death that before the United States had paid the last penny of cost growing out of the World War the total would be in excess of a hundred billion dollars. Already I am satisfied that before we pay the last penny of cost once again Calvin Coolidge will have been demonstrated to have been a very, very conservative man. A hundred billion dollars, in other words, is not going to begin to pay the cost of America's participation for 2 years in the last European war.

Mr. LUNDEEN. Mr. President, will the Senator yield?

Mr. NYE. I yield to the Senator from Minnesota.

Mr. LUNDEEN. I am wondering, I will say to the Senator from North Dakota, about the situation which will arise this week end. If we are going to be attacked right away, and have to build a navy right away, how is it that hundreds of Members of the House and Senate can leave the Capitol for 4 or 5 days, when they ought to stay here and pass this bill at once, because before they get back the Navy might be sunk by some foreign foe or combination of foreign foes?

Mr. NYE. I am glad to know that some Member of the Senate is worried and concerned about this week end, but I assume, in the light of the arrangements that have been made for a recess until Monday, that there have been assurances from Japan, assurances from Italy, assurances from Germany, assurances from Russia that they are not going to do anything to us this week end. I hope the Senator is not going to be gravely concerned for this week end in the light of the assurance which seems to be entertained by our leadership.

Mr. LUNDEEN. Then, in view of what the Senator has said, it seems we are safe from attack until next Tuesday?

Mr. NYE. I think that is a reasonable degree of security to entertain.

Mr. WALSH. Mr. President—

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Massachusetts?

Mr. NYE. I yield.

Mr. WALSH. If the opponents of the pending measure desire to have it done, I will be very happy to request that a session of the Senate be held tomorrow and on Saturday.

Mr. NYE. Does the Senator suppose a quorum could be made available tomorrow?

Mr. WALSH. I think so.

Mr. NYE. Well, the Senator is in charge, and if he entertains a fear as to what might happen over the week end, he may take the course he suggests.

Mr. WALSH. I assume the leader on this side had in mind when he obtained consent for a recess until Monday giving the opponents of the measure more time in which to prepare their speeches rather than to give a week-end's enjoyment to some of our colleagues.

Mr. NYE. That was very considerate on the part of the majority leader.

Mr. LUNDEEN. Mr. President, may I say to the Senator I believe that Senators and Members of the House should have this week-end vacation; they are weary after a long session; but I made the reference to show the absurdity of the intimations of some terrible and sudden attack by certain nations now in disfavor with the administration—nations that have not yet recovered from the World War, too weak to do anything but defend their own home territory—and yet we hear Senators say that these nations will attack us most any night in the dark of the moon. They know, or should know, that any and all of these nations have their hands full at least for the present and must strain every resource to defend their own borders, and should there be war over there each and all of these nations involved would come out of that war too weak to attack the powerful and unconquerable United States—certainly for a full generation.

Mr. NYE. Mr. President, I have been speaking of the high resolve that the American people have developed against their country's participation in another foreign engagement. I repeat the expression of hope that the resolve may continue to prevail and that it may grow stronger, as I believe it will when the American people are made to realize what might readily be the consequences of our embarking again on a foreign war. We know, though, whatever is responsible for this resolve of the American people, that it has very considerably slowed down the program of some influences, some forces which have been greatly embarrassed by reason of this developed attitude on the part of the American people to stay home and mind their own business, and to have their Government stay home and mind its own business. Because this resolve has grown so strong, because it has developed so mightily, we have observed during recent weeks and months that resort has been had by some men to a very definite program intended to break down that American resolve, intended to undermine that resolve, intended to inflame the American people with such fear as would lead them to reverse their attitude against the idea of not getting into another foreign war. Some of the things that have been done have been not only surprising but amazing. I wish with all my heart that one or two of the charges I am about to mention might be considered by the Senate Naval Affairs Committee and thoroughly studied and investigated in order to ascertain what degree of truth there may be in them. The first reference need not concern the committee for a moment; but I am wondering what some gentlemen are going to do when it comes time in their conventions to draft resolutions condemning Members of the Senate who stand in opposition to this insane naval program, who stand in opposition to our participation in the insanity of the world as it is involved in a naval race. I am wondering what certain societies are going to do when they get down to the business of writing their resolutions of bitter opposition to any and all who will not stand by and support anything and everything that carries upon it a national-defense label.

Heretofore, the simple way of getting at those who would not go the full route has been to remind them in resolutions that they were affiliating with, or were lending aid

and comfort to, the Communist cause. The Senator from Washington [Mr. Bone] has observed many resolutions of that kind almost year after year. Any opposition to the naval building program was aid to the cause of communism; and an array of evidence was brought in to demonstrate that the Communists were against the naval building programs. What are those societies going to do this year, with the record as clearly written as it is that the communist organization in this country is openly, boldly, brazenly on record urging and supporting the full and complete program that is now here before us?

Mr. LUNDEEN. Mr. President—

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Minnesota?

Mr. NYE. I yield to the Senator.

Mr. LUNDEEN. Is it not a fact that we are supposed to be comrades in arms with the Russians against certain terrible dictators in the next war?

Mr. NYE. The purpose of the Communists in this country is obvious. Their determined program is plainly that of putting the United States in opposition to Japan, putting us in a warlike position toward Japan, because the minute we do that we shall be hand in glove with Russia. I do not think their purpose is any more subject to criticism than are the purposes of others who argue for the great Navy cause, for this, that, or any other cause; but let the record be clear. The naval program that is now pending is urged by the Communists of these United States. They have urged more than that. They want us to engage in a collective program with other nations of the world to operate against certain countries that they do not like at the moment. They are urging a collective or a "parallel" policy, as they sometimes call it, which has sometimes been developed with great heat. Not only are they for this collective policy, not only are they for a big navy, but they are for the United States engaging in a warlike way against certain nations of the earth.

The Communists are not opposing this big-Navy program. The Communists are urging its enactment. What are some persons going to say this year about those of us who stand in opposition to this program? What will they draw upon that will cast reflections upon those who stand in opposition to it?

Mr. President, the effort which has been made, and is being made today, to undermine the confidence which might be placed with any who have fought these military proposals, has sometimes assumed unbelievable proportions. It was in January or February, or perhaps in December—the Senator from Washington may be able to help me out by way of affording accuracy—that there was developed, and brought to a number of us in the Senate, knowledge of a secret meeting which had been held in New York City to which ultrapatriots had been invited, including some representatives of our military establishments, at which the discussion centered around the question, "How can we break down those who have caused this American spirit that makes it so difficult to get anywhere with these military programs?" Very, very reliable and responsible persons came to Washington with stories of that conference. An eminent columnist of the country, writing under date of February 19, had this to say regarding that matter:

The air is filled with rumors of impending war.

There is, of course, the usual amount of utterly irresponsible rumor-mongering. There are those who would hatch any rumor they thought might embarrass the President. They are victims of the disease of irresponsible partisanship, for which there can be no defense.

But there are a few authenticated facts that deserve recording.

We may begin with the fact that we are in a war-mad world, in which nation after nation is in the hands of a dictator who may, for any one of many reasons, choose war as a blind to his own domestic blunderings. In a world where the question of war or peace can be decided in so many nations by the whim of one man, it is but elementary horse sense that we be fully prepared for defense against wanton attack. Just what such defense implies no one in touch with the first-hand information can presume to say.

It is not the prospect of building more battleships or enlarging the contingent of reserve officers that gives us concern; it is the

intentions and theories surrounding this preparation that really matter.

It is known, for instance, that in recent weeks a group of men of significant position met to consider ways and means of conditioning the American mind to war. Radio, press, church, school, and all other agencies of influence were talked over in this meeting, and plans evolved for swinging them into line for war.

It is further known that important men in both political parties have surrendered to the fantastic notion that the United States should join a certain coalition of powers in a war designed to break the fascist front.

The joker in this deck is that, should we plunge into war to save the world from fascism as we once plunged into war to save the world for democracy, we would ourselves be in the grip of an essentially fascist dictatorship within a few weeks.

I read again—

It is known * * * that in recent weeks a group of men of significant position met to consider ways and means of conditioning the American mind to war.

Knowing what was going on in 1914, 1915, and 1916, when the American people were saying day after day, "No. We want none of Europe's mess"; knowing how highly resolved we were then to keep out of the European war, and yet ultimately were brought into it; and knowing today what we did not know then—namely, the influences that were then at work conditioning the American mind to one cause as against another engaged in the European war—I say to you, Senators, do not be too sure about what challenge is or is not going to be ours tomorrow morning or Monday morning.

Mr. BONE. Mr. President, was there any evidence or is there any evidence that the Communist Party was represented at this gathering? I ask that question because the Communist newspapers which come to my desk all indicate an apparently very sincere desire on the part of the Communist Party to have the United States immediately go to war to achieve some protection of democracy in the far corners of the earth. I wondered if any representatives of that party were at this meeting.

Mr. NYE. Mr. President, I was equally interested when one informant advised me of this conference, and I asked that very question, and was told most emphatically that no representative of the Communist cause was in attendance at this very strange gathering in New York in February.

Mr. President, strange things are happening. There are influences which are fearful that the American people may one day put down their foot emphatically and say, "When we build national defense we mean national defense, and not more than that."

Not the least interested party in preventing the growth and development of that resolve and spirit in the United States is the United States Navy.

Mr. BONE. Mr. President, will the Senator yield?

Mr. NYE. I yield.

Mr. BONE. Perhaps it is not the noblest form of entertainment and diversion, but I have a habit of clipping editorials from the leading organ of the Communist Party and from the leading representative papers of the very conservative press of the country, all dealing with our foreign policy. Those editorials deal with war and preparedness and kindred and allied subjects. Occasionally I have some friend come to my office and I will read an editorial out of the New York Daily Worker demanding that we go to the extreme in chastising recalcitrant and stubborn totalitarian nations and policing the earth; then I will read an editorial out of one of the very conservative, and what our communistic brethren call "capitalistic," newspapers, and I ask my friend which editorial came out of the conservative and which out of the Communist paper. I have yet to find a friend who can tell me which editorial came out of which newspaper, and that, I submit, is an astounding thing, to say the least. That we find the leading exponents of ultra-conservatism in the United States in holy communion with the leading exponents, journalistically speaking, of the ultra-radical viewpoint in the United States is a sight that ought to halt the stars in their courses.

Mr. LUNDEEN. Mr. President, does the Senator mean to say that these Wall Street conservative papers and editorial writers and interests have gone Communist? I am astounded.

Mr. BONE. The Senator from Minnesota poses a question which is unanswerable. I do not know whether capitalism has gone Communist or communism has gone capitalist. Has the Senator a small boy?

Mr. LUNDEEN. I have a son 16 years old. He is as big as I am.

Mr. BONE. Your boy would probably call it "screwy" or "cockeyed" if he employs the inelegant vernacular of childhood. The people of this country will never understand this sweet concord between the citadel of capitalism and the inner holy of holies of communism. It is the most bewildering picture ever presented to this country.

A few days ago I heard someone on the floor of the Senate say that the forces of ultraradicalism, meaning communism, were so violently opposed to increased armament that he felt he must support increased armament. I hope that I have and always will have a due and proper respect for the opinions of my colleagues, but I was astonished when I heard that statement, because in my office I have probably 50 pounds of Communist literature demanding bigger and bigger armaments, so that we can whip the whole world in the interest of "parallel action" or "collective security." My senatorial brethren know this to be a fact. In other words, the demand is made that Uncle Sam police the whole world. That is the present Communist formula. If anyone doubts it, I would consider myself an extremely poor lawyer if I could not prove my case beyond a reasonable doubt in any court. There is not a Senator here who is a lawyer who would not believe me after spending 20 minutes in my office. Of course, the Senator from Minnesota knows that is true; everyone knows it is true.

Mr. LUNDEEN. I am wondering whether some of the advocates of this super-Navy program may be misled by the Communists. No Senator, of course, would be led astray—I refer to some of these folks who listen to any floating propaganda which so abounds in our papers and press today—and further, please remember that Senators who now want to spend upwards of \$4,000,000,000 additional on a super-Navy as stated by the able Senator from Michigan, or Senators who seek to make this vast expenditure under which the taxpayers will stagger through life. Then some Senators in a few days from now will cry "economy" and "where will we get the money" when it comes to bread for the hungry and jobs for the unemployed.

Mr. BONE. I would not assume for one moment that that is the case. I want my own position made plain as the debate proceeds, because I voted to report out the pending bill. Further, I wish to say that never in my years in the Senate have I met a finer gentleman than the able and distinguished chairman of the Committee on Naval Affairs of the Senate, the Senator from Massachusetts [Mr. WALSH]. He has at all times been the soul of courtesy. He has not only listened with infinite patience in committee hearings, but he has been most helpful to those who wanted to appear and who have appeared before the committee to give the fullest expression to their views. So whatever may be said on this floor, it is said in light of a favorable committee vote on the pending bill. I am merely expressing my own views about necessities and costs, and because I think that if the threat is as grave as it is painted we ought to go ahead and build a big navy now. That is why I am making this statement. I do not want any lack of ability to take care of ourselves if we are to be attacked and if we are in real danger. I, as an American, want a navy big enough to frighten any nation in the world which might attack us.

I do not want any misapprehension as to the attitude of the Committee on Naval Affairs, because the fine and able chairman of that committee has courteously allowed everyone to be heard, and no Senator living could ask for finer treatment than the chairman of that committee has tendered to all those who desired to appear. I think he has made a

dispassionate and realistic statement of the case for the bill. The Senator from Massachusetts is an able committee chairman. He has a hard job to perform here, and he is doing his duty and doing it well. I have no quarrel with the position he takes. But what I have said today has been said because Senators rise here and paint pictures of such unutterable horror, of grisly Gorgons shaking their gory locks at us right now, and yet they do not offer any encouragement to our going ahead now and building a much bigger navy, as we can build it under the Vinson-Trammell authorization if Congress will vote the funds. If the dangers are as grave as they have been portrayed by fearful Senators and equally fearful newspapers, I think the duty of Congress is very plain. We should immediately start the wheels rolling, and appropriate the money, which we can appropriate under the Vinson-Trammell Act. The sums which would be required under that act are enough to arouse the country to a realization of defense costs. Either our fears are well founded or they are unreal. That is my attitude toward the problem wrapped up in this legislation. If we need a bigger navy, proceed to build the great increases possible under the Vinson-Trammell Act now. Otherwise we will merely be playing poker in international politics with a new "authorization" which carries no money.

Mr. NYE. Mr. President, I am not given to flattery, and if I have not paid the tribute which I have heard others pay to the Senator from Massachusetts, who has the responsible chairmanship of the Committee on Naval Affairs, I know he will realize that it has not been because I have not entertained much respect for him. In the presence of the Senator from Washington, who I know will share in what I have to say now, I should like the RECORD to contain just this bit of language of mine, that during those trying months and years when the Senator from Washington, the Senator from Michigan, and others here who were members with me of the Senate munitions committee, were laboring with its gigantic task, at times under terrible handicaps, I doubt that there came to us larger encouragement in those hours than came from the Senator from Massachusetts, and his encouraging words and suggestions in those hours will never be forgotten by me, and I am sure will not be forgotten by any other member of the munitions committee.

Mr. President, I have made the point that there was a set purpose on foot in this country to condition the American mind for war, and I had just made the point, before the interruption, that no one was more interested in undermining the influence of those who were playing a part in building this resolve to have nothing to do with other people's wars than our own Naval Establishment, and, I might add, those institutions which derive large profit from armament programs.

Listen to this:

Navy Department is sending Navy intelligence officers around the country who call on chiefs of police, district attorneys, and other law officers to check up on members of peace organizations which have protested big navy bills.

High Army and Navy officers touring the country to put pressure on editors and other influential persons who oppose arms program.

Mr. President, the author of that is Mr. Lawrence Martin, an editor of the new magazine entitled "Ken." I am not asserting, I am not charging, but here is a frank, forward statement, a charge that the Army and Navy, with their intelligence forces, are out over this country engaged in an organized effort to promote a war mind in America. I repeat, it is that kind of thing I should like to see thoroughly investigated by some standing committee of the Senate with authority and an interest to know what are the facts.

Through the past winter there has been developing a spirit, notably on the part of some of the newspapers of the country, to sit down hard on anyone who for one moment differed with what appeared to be the direction and the prevailing order in the international field as it was being pursued by our own Government.

In December I accepted an invitation to speak before the Rotary Club in Chicago. On the following day there

came forth in the Chicago Daily News a double column front page editorial, the nature of which has made it exceedingly difficult for me to remain quiet as long as I have remained quiet about it. It was vicious; it was nasty; it was dirty; yet, not any more so than that which will be leveled against others if and when it shall be necessary to stand up and oppose a course which will result in our country moving into other people's wars.

Listen to this editorial appearing in Colonel Knox's Chicago Daily News, upon its front page, under date of December 15, 1937:

None but fools want war. But—

What is equally important, none but fools think to escape war by announcing in advance that no matter what the provocation, they won't fight.

Everyone knows what happens to the individual peace-at-any-price citizen when he falls into the hands of a ruthless, aggressive opponent.

But great nations are not such easy victims—particularly nations of virile self-respecting men and women. Such a nation, loving peace and abominating war, may permit pacifist spokesmen to misrepresent it for a time, even to a point of earning the contempt of a warlike nation whose aspirations and interests threaten conflict. But—

There comes a time when such a nation's patience ends. Some outrage, some insult, some flagrant, deliberate defiance puts spark to the tinder and overnight the face of that nation changes. It loses its easygoing tolerance; domestic worries and concerns are forgotten; political partisanship is adjourned; ranks are closed up; and the nation faces a possible foe united behind its chosen leader, ready for what comes.

We don't mean to imply that this country has reached such a situation—that war with Japan immediately impends. But we do mean that we should not have found ourselves in the present extremely perilous position if we had not thoughtlessly and good-naturedly let a lot of silly, peace-at-any-price advocates seem to represent the attitude of the Nation as a whole.

I wonder if any Senator would be able to name any Member out of the 96 in this body whom he could charge with being a peace-at-any-price advocate? There is no such Senator in this body. But such Senators must be in this body in order to enable the writer to build up to this grand conclusion of his editorial effort. There must be such peace-at-any-price advocates, otherwise there is no target.

Mr. LUNDEEN. Mr. President, will the Senator yield?

Mr. NYE. I yield.

Mr. LUNDEEN. In answer to that statement in the editorial I will say that if I remember correctly we have voted in the Senate to make available huge sums of money in the regular appropriation bills for the Navy. Those sums have been made available to the Navy by unanimous votes on the floor of the Senate.

Mr. NYE. So we have voted again and again. I continue reading this editorial.

The United States is not a peace-at-any-price nation.

As though anyone had to make an announcement to that effect.

It never has been. It probably never will be.

We are a peace-loving nation. We have no aims that require the use of military force for their accomplishment. We are not overzealous in the defense of our rights and interest abroad. We carry no chip on our shoulder. We sincerely want to live on good terms with other peoples. But we are an extremely volatile people. Our patience is not inexhaustible. We will go along peacefully enough up to a certain point. Then look out!

It is this quality in the American character that the pacifists don't understand, or that they ignore. And it can be ignored only at grave peril, how grave is notably illustrated by what has just happened on the Yangtze River.

At the time when this editorial was written there had not been announcement of the presence in the Yangtze River of more than the American gunboat *Panay*. The information was not then made available to the public that a nest of Standard Oil tankers, profiting from prolonging the war in China, were there alongside of the *Panay*. At the time this editorial was written all the Nation was being fanned as if to build up a flame of hate and readiness to declare the time at hand when we should march our sons over to China and Japan to avenge the sinking of the *Panay*.

I continue reading from the editorial:

The American river gunboat *Panay* would still be afloat, and we should not be confronted with the most serious international situa-

tion since the World War, if the Japanese military leaders had not long been convinced that Senator Nye, of North Dakota, represented the true American attitude, if they had not believed that the numerically insignificant group of peace-at-any-price pacifists constituted a true cross section of American public opinion, if the Japanese Ambassador in Washington had not been misled by certain senatorial back-door callers, who assured him that, no matter what happened, the United States would not fight.

Mr. President, who is the Member of the Senate who has been constituting himself a back-door caller at the Embassy of the Japanese Government? Who have been the visitors at the Japanese Embassy tipping off the Ambassador from that little land to the fact that the United States would not fight Japan under any circumstances? Who are they? The Senate has a right to know, and I should like with all my heart to see the Senate demand that the editor of the Chicago Daily News make known who those Senators are. They do not exist. They existed only at that moment in the mind of the editor of the Chicago Daily News, who was bent, as others were bent at that moment and since, upon the one cause of undermining the confidence of the American people in any and all persons who dared to criticize what they feared to be a course that was contrary to American wishes and American interests.

The concluding paragraph of this editorial is as follows:

Now we must pay the penalty for this misrepresentation. It may not be actual resort to arms. But it does necessitate the strongest possible measures to convince the Japanese of their error. President Roosevelt indicated clearly his appreciation of the gravity of the situation by addressing his demands directly to the Emperor. He may find it necessary to withdraw our Ambassador and give Saito his passports, thus breaking off relations in order to bring home to the war-drunk militarists of Japan the actualities of the crisis they have deliberately precipitated. Let there be no further mistake by Nye and his followers. In whatever the President does to maintain American self-respect and the respect of other nations he will have the overwhelming support of the Nation.

Mr. President, there was excellent warning for one day at least as to what might be expected of those who would to the last ditch fight against our country participating in another foreign engagement, at least until we could have some little measure of assurance at another time that in addition to helping other nations with their wars we would have some voice in determining the peace; that in addition to winning the war we could win at least one of the causes which at the moment we might declare was responsible for our participation in the war.

I am satisfied that there is a sufficiently large element in the United States today which is acquainted with or is acquainting itself with the experiences of other days, and which is strong enough to prevent the effort that is being made today to shape the American mind for war. I am sure that element possesses sufficient strength to resist and to prevent us from proceeding in the direction which some few would have us go.

In light of past experiences, Mr. President, and in spite of the world conditions prevalent today, I do not believe it is going to be possible to change the determination of the American public to stay at home and mind our own business, and, while providing ourselves with an adequate national defense, to quit this game of providing the kind of defense which contemplates naval excursions around the earth, naval visitations to other quarters of the earth, at the same time being able successfully to meet any emergency that may arise or that may challenge us anywhere upon this globe.

The PRESIDING OFFICER (Mr. Hughes in the chair). The question is on agreeing to the committee amendment on page 2 of the bill.

Mr. NYE. Mr. President, I hope the Senator from Massachusetts will not insist upon the adoption of that amendment tonight.

Mr. WALSH. The Senator from North Dakota thinks, does he not, that other Senators will want to speak on the bill?

Mr. NYE. Yes; Mr. President.

Mr. WALSH. I think the Senator's suggestion is a reasonable one.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER as in executive session, laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

RECESS TO MONDAY

Mr. WALSH. I move that the Senate take a recess under the order previously entered.

The motion was agreed to; and (at 4 o'clock and 48 minutes p. m.) the Senate took a recess, the recess being under the order previously entered, until Monday, April 25, 1938, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate Thursday, April 21 (legislative day of April 20), 1938

REGISTER OF THE LAND OFFICE

Paul B. Witmer, of California, to be register of the land office at Los Angeles, Calif. Reappointment.

PUBLIC HEALTH SERVICE

Dr. Lloyd D. Felton to be senior surgeon in the United States Public Health Service, to take effect from date of oath.

Asst. Dental Sur. (R) George E. Waterman to be assistant dental surgeon in the United States Public Health Service, to take effect from date of oath.

COAST GUARD OF THE UNITED STATES

Boatswain Page R. Loyd to be a chief boatswain, to rank as such from February 15, 1938.

Boatswain (L) William E. Crapo to be a chief boatswain (L), to rank as such from February 15, 1938.

Radio Electrician Miles W. Hopkins to be a chief radio electrician, to rank as such from February 15, 1938.

Machinist John R. Cody to be a chief machinist, to rank as such from February 15, 1938.

Machinist William E. Shipway to be a chief machinist, to rank as such from February 15, 1938.

Machinist James Madole to be a chief machinist, to rank as such from February 15, 1938.

Machinist Walter W. Bond to be a chief machinist, to rank as such from February 15, 1938.

Machinist Clarence C. Alexander to be a chief machinist, to rank as such from February 15, 1938.

Machinist Herman H. Ternau to be a chief machinist, to rank as such from February 15, 1938.

Pay Clerk Howard R. Pickering to be a chief pay clerk, to rank as such from February 15, 1938.

HOUSE OF REPRESENTATIVES

THURSDAY, APRIL 21, 1938

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our most merciful Heavenly Father, help us to begin this day with the right spirit in our hearts—the spirit of love toward Thee and our fellow men. We pray that we may be ever mindful of what we owe Thee, our friends, ourselves, and our country. Unfettered by unholy passions and free from the spirit of unforgiveness, oh, let us feel the unity of the bonds of brotherhood. May we give praise and thanksgiving to that ageless song: "Holy, holy, holy, Lord God Almighty." We beseech Thee that these may be the days of the high tides of cooperation and mutual understanding, when the streams of thought and wisdom shall flow from all lips. O God, if pride or presumption imperil and vision becomes distressful, oh, take our wills and help them to pass into an assured reasonableness and peace which form the strength of life. In the holy name of our Savior. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier its legislative clerk, announced that the Senate had passed without amendment a bill and joint resolutions of the House of the following titles:

H. R. 9257. An act to extend the time for completing the construction of a bridge across the St. Clair River at or near Port Huron, Mich.;

H. J. Res. 463. Joint resolution to permit the transportation of passengers by Canadian passenger vessels between the port of Rochester, N. Y., and the port of Alexandria Bay, N. Y., on Lake Ontario and the St. Lawrence River; and

H. J. Res. 627. Joint resolution providing an additional appropriation for the Civilian Conservation Corps for the fiscal year ending June 30, 1939.

The message also announced that the Senate agrees to the amendments of the House to a bill of the Senate of the following title:

S. 3590. An act to amend an act entitled "An act for making further and more effectual provision for the national defense, and for other purposes," approved June 3, 1916, as amended by the act of June 4, 1920, so as to make available certain other officers for General Staff duty.

The message also announced that the Vice President had appointed Mr. FRAZIER and Mr. DAVIS members on the part of the Senate of the Special Joint Congressional Committee to Investigate the Tennessee Valley Authority, as provided for in Public Resolution No. 83, approved April 4, 1938, superseding Messrs. McNARY and BORAH, resigned.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9621) entitled "An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1939, and for other purposes."

The message also announced that the Vice President had appointed Mr. BARKLEY and Mr. GIBSON members of the joint select committee on the part of the Senate, as provided for in the act of February 16, 1889, as amended by the act of March 2, 1895, entitled "An act to authorize and provide for the disposition of useless papers in the executive departments," for the disposition of executive papers in the following departments: The Department of the Treasury, the Department of the Interior, Post Office Department, Works Progress Administration.

The message also announced that the Senate had passed the following resolution:

Senate Resolution 268

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Hon. CHARLES J. COLDEN, late a Representative from the State of California.

Resolved, That a committee of two Senators be appointed by the President of the Senate to join the committee appointed on the part of the House of Representatives to attend the funeral of the deceased Representative.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect to the memory of the deceased the Senate do now adjourn.

MINORITY REPORT

Mr. CHAPMAN. Mr. Speaker, I ask unanimous consent to file a minority report on behalf of myself and other Members on the bill S. 5, to prevent the adulteration, misbranding, and false advertisement of food, drugs, devices, and cosmetics in interstate, foreign, and other commerce subject to the jurisdiction of the United States, for the purposes of safeguarding the public health, preventing deceit upon the purchasing public, and for other purposes, from the Committee on Interstate and Foreign Commerce.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

DEPARTMENT OF THE INTERIOR APPROPRIATION BILL, 1939— CONFERENCE REPORT

Mr. TAYLOR of Colorado submitted a conference report and statement on the bill H. R. 9621, making appropriations for the Department of the Interior for the fiscal year ending June 30, 1939, and for other purposes.

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. COCHRAN. Mr. Speaker, I would like to ask the gentleman from Colorado when this conference report will be considered?

Mr. TAYLOR of Colorado. I think next Tuesday.

Mr. COCHRAN. I am very much interested in a Senate amendment. It will not be considered this week?

Mr. TAYLOR of Colorado. Oh, no.

Mr. RICH. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, may I ask the gentleman from Colorado if he has filed a committee report with this conference report to be printed?

Mr. TAYLOR of Colorado. Certainly.

Mr. RICH. May we have the opportunity to file a minority report?

Mr. TAYLOR of Colorado. Personally, I do not know. I did not know the gentleman wanted to file a minority report.

Mr. RICH. I should like to file a minority report and have it printed with the conference report the gentleman is now offering the House.

Mr. WOODRUM. Of course, this is a conference report. There is no rule which provides for a minority report to be filed with a conference report. The gentleman as a conferee may refuse to sign the conference report.

Mr. RICH. I have refused to sign the conference report, but I would like to give the House a little information.

Mr. WOODRUM. The gentleman may make a big speech here and tell us all about it.

Mr. RICH. When you make a speech to the House of Representatives, unless you are in favor of spending and continuing to flounder the Treasury, it does not carry much weight in this House. All the Members of the House want to do is to squander Government funds. The Members are not interested in listening to someone who wants to economize.

Mr. COCHRAN. I would suggest the gentleman ask unanimous consent to file a report.

[Here the gavel fell.]

DEPARTMENTS OF STATE, JUSTICE, COMMERCE, AND LABOR APPROPRIATION BILL, 1939

Mr. McMILLAN. Mr. Speaker, I call up the conference report on the bill (H. R. 9544) making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1939, and for other purposes, and ask unanimous consent that the statement may be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9544) making appropriations for the Departments of State and Justice and for the Judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1939, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 10, 12, 13, 24, 27, 29, 31, 33, 36, 37, 46, 47, 48, 49, and 50.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 4, 5, 6, 16, 20, 22, 23, 25, 32, 38, 39, 41, 42, 44, 45, 52, 53, 54, 56, 57, and 58, and agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment, insert "\$25,000"; and the Senate agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment, amended to read as follows: "Provided, That 5 per centum of the foregoing amounts shall be available interchangeably for expenditures in the various offices and divisions named, but not more than 5 per centum shall be added to the amount appropriated for any one of said offices or divisions and any interchange of appropriations hereunder shall be reported to Congress in the annual Budget"; and the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$185,000"; and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following: "or the head of the division"; and the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$430,660"; and the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$3,634,440"; and the Senate agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$3,010,000"; and the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$2,191,140"; and the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment amended to read as follows: "None of the funds appropriated by this title may be used to pay the compensation of any person hereafter employed as an attorney unless such person shall be duly licensed and authorized to practice as an attorney under the laws of a State, Territory, or the District of Columbia."

And the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$4,575,000"; and the Senate agree to the same.

Amendment numbered 28: That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$6,758,680"; and the Senate agree to the same.

Amendment numbered 30: That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$1,249,800"; and the Senate agree to the same.

Amendment numbered 34: That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following:

"No part of the funds herein appropriated for the Bureau of Foreign and Domestic Commerce shall be used to pay the salary of any employee or officer, other than the Director and Assistant Directors, engaged on regular work of the Bureau within the continental limits of the United States, for a period longer than three consecutive months, at an annual rate in excess of \$7,000 per annum."

And the Senate agree to the same.

Amendment numbered 35: That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$100,000"; and the Senate agree to the same.

Amendment numbered 40: That the House recede from its disagreement to the amendment of the Senate numbered 40, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$80,000"; and the Senate agree to the same.

Amendment numbered 43: That the House recede from its disagreement to the amendment of the Senate numbered 43, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following: "of which sum \$7,440 shall be available for temporary employees"; and the Senate agree to the same.

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Amendment numbered 55: That the House recede from its disagreement to the amendment of the Senate numbered 55, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following: "of which \$50,000 shall be used for increased compensation to persons receiving less than \$2,000 per annum"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 14, 15, and 51.

THOS. S. McMILLAN,
M. C. TARTER,
JAMES McANDREWS,
LOUIS C. RABAUT,
MILLARD CALDWELL,
ROBERT L. BACON

(Except as to amendment 34).

ALBERT E. CARTER,

Managers on the part of the House.

KENNETH MCKELLAR,
R. B. RUSSELL, JR.,
PAT MCCARRAN,
KEY PITTMAN,
FREDERICK HALE,

Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill, H. R. 9544, making appropriations for the Departments of State and Justice and for the Judiciary and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1939, and for other purposes, submit the following statement in explanation of the effect of the action recommended in the accompanying conference report as to each of such amendments, namely:

State Department

On amendment No. 1: Appropriates \$5,588 for the Permanent Association of International Road Congresses, as proposed by the Senate, instead of \$588, as provided by the House, of which amount \$5,000 is available for participation in meetings of the association on the part of the United States, as proposed by the Senate.

On amendment No. 2: Corrects a total.

On amendment No. 3: Appropriates \$25,000 for fence construction on the Arizona-Mexico boundary under the administration of the Mexican Boundary Commission instead of \$50,000, as provided in the Senate amendment.

On amendment No. 4: Corrects punctuation.

Department of Justice

On amendment No. 5: Appropriates \$566,070 for salaries in the Administrative Division, Office of the Attorney General, as proposed by the Senate, instead of \$559,300, as proposed by the House.

On amendment No. 6: Corrects a total.

On amendment No. 7: Makes the amount that may be transferred among the various divisions and offices under the Office of the Attorney General not to exceed 5 percent. This compares with the Senate action striking out all authority for transfers and the House action in permitting transfers up to 10 percent.

On amendment No. 8: Appropriates \$185,000 for expenses of the Bond and Spirits Division instead of \$165,000, as proposed by the House and \$203,000 as proposed by the Senate.

On amendment No. 9: Exempts the head of the Bond and Spirits Division from civil-service requirements, as proposed by the Senate, but eliminates language inserted by the Senate which would have required confirmation by the Senate and Presidential appointment.

On amendment No. 10: Restores the 10 percent transfer authority among certain appropriations under the Bureau of Prisons which had been eliminated by the Senate.

On amendment No. 11: Appropriates \$430,660 for salaries, United States Supreme Court, instead of \$426,100 as proposed by the House and \$431,110 as provided by the Senate.

On amendment No. 12: Puts reimbursements from District of Columbia funds for percentage costs of expenses of the District Court of the United States for the District of Columbia and the United States Court of Appeals for the District of Columbia on a basis of expenditures as proposed by the House, instead of appropriations, as provided by the Senate.

On amendment No. 13: Same as amendment No. 12.

On amendment No. 16: Makes appropriation for United States Court for China available for expenses connected with travel of officers and employees of the court and of their dependents, while en route to or from places of temporary refuge in time of war, or other emergency.

On amendment No. 17: Appropriates \$3,634,440 for salaries and expenses of marshals and their deputies, instead of \$3,594,440, as provided by the House and \$3,639,440 as proposed by the Senate.

On amendment No. 18: Appropriates \$3,010,000 for salaries and expenses of district attorneys and their assistants, instead of \$2,990,940, as proposed by the House and \$3,025,000 as provided by the Senate.

On amendment No. 19: Appropriates \$2,191,140 for salaries and expenses of clerks of courts, instead of \$2,179,800, as proposed by the House and \$2,219,800 as provided by the Senate.

On amendment No. 20: Appropriates \$737,650 for salaries of officials and employees of the Federal judiciary, as provided by the Senate, instead of \$731,970, as proposed by the House.

On amendment No. 21: Amends the limitation prohibiting the use of any funds appropriated in the act for the Department of Justice to pay the compensation of any person as an attorney unless such person shall be duly licensed to practice as an attorney under the laws of a State, Territory, or the District of Columbia, by making it apply only to those hereafter employed as an attorney instead of eliminating the limitation entirely, as proposed by the Senate.

On amendment No. 22: Inserts language proposed by the Senate to permit title 2 of the bill to be cited as an act.

Department of Commerce

On amendment No. 23: Authorizes \$6,000 of the appropriation for traveling expenses to be available for hire of automobiles for travel on official business, as provided by the Senate.

On amendment No. 24: Appropriates \$650,000 for departmental salaries, Bureau of Air Commerce, as proposed by the House, instead of \$625,000, as provided by the Senate.

On amendment No. 25: Makes appropriations for establishment of air navigation facilities, Bureau of Air Commerce, available for purchase of an automobile, as proposed by the Senate.

On amendment No. 26: Appropriates \$4,575,000 for establishment of air navigation facilities, Bureau of Air Commerce, instead of \$4,463,500, as provided by the House, and \$4,713,500, as proposed by the Senate.

On amendment No. 27: Eliminates language proposed by the Senate to authorize additional contractual authority for air navigation aids, Bureau of Air Commerce.

On amendment No. 28: Appropriates \$6,758,680 for maintenance of air navigation facilities, Bureau of Air Commerce, instead of \$6,726,400, as provided by the House, and \$6,792,400, as proposed by the Senate.

On amendment No. 29: Restores House limitation of \$10,000 on use of aircraft in commerce appropriations, Bureau of Air Commerce, for purchase of automobiles, instead of \$5,000 limitation, proposed by the Senate.

On amendment No. 30: Appropriates \$1,249,800 for aircraft in commerce, Bureau of Air Commerce, instead of \$1,232,300, as proposed by the House, and \$1,267,300, as provided by the Senate.

On amendment No. 31: Appropriates \$258,000, as provided by the House, for safety in planning, Bureau of Air Commerce, instead of \$240,000, as proposed by the Senate.

On amendment No. 32: Modifies provision appertaining to use of Bureau of Air Commerce appropriations for transporting household effects of employees to limit weight in any one case to 6,000 pounds net weight when shipped without packing, as proposed by the Senate.

On amendment No. 33: Appropriates \$323,000 for expenses of district and cooperative offices, Bureau of Foreign and Domestic Commerce, as proposed by the House, instead of \$285,000, as provided by the Senate.

On amendment No. 34: Amends a limitation inserted by the Senate affecting certain salaries and personnel in the Department of Commerce by making limitation applicable to only the Bureau of Foreign and Domestic Commerce and inhibiting the payment of any salaries therein in excess of \$7,000 under certain conditions and with certain exceptions.

On amendment No. 35: Limits amount that may be expended for personal services in the District of Columbia in custom statistics work, Bureau of Foreign and Domestic Commerce, to \$100,000, instead of \$87,880, as provided by the House, and \$120,000, as proposed by the Senate.

On amendment No. 36: Appropriates \$143,800, as proposed by the House, for transportation of families and effects of officers and employees and allowance of living quarters, Bureau of Foreign and Domestic Commerce, instead of \$160,525, as provided by the Senate.

On amendment No. 37: Eliminates Senate language proposing to make \$16,725 of the appropriation for transportation of families and effects of officers and employees and allowances for living quarters available to furnish quarters allowance in foreign posts for clerks.

On amendment No. 38: Agrees to Senate language technically rewording limitation on amount available for expenses of attendance at meetings concerned with the promotion of foreign and domestic commerce and expenses of illustrating the work of the Bureau at such meetings.

On amendment No. 39: Same as amendment No. 38.

On amendment No. 40: Appropriates \$80,000 for expenses of furnishing old-age information, Bureau of the Census, instead of \$50,000, as proposed by the House, and \$100,000, as provided by the Senate.

On amendment No. 41: Appropriates \$2,322,000 for salaries and general expenses, Bureau of Marine Inspection and Navigation, as proposed by the Senate, instead of \$2,202,000, as provided by the House.

On amendment No. 42: Appropriates \$130,000 for departmental salaries, Bureau of Lighthouses, as proposed by the Senate, instead of \$125,000, as provided by the House.

On amendment No. 43: Amends Senate language which proposed to make appropriation for departmental salaries, Bureau of

Lighthouses, available for certain specified temporary positions, by eliminating the naming of such specified positions and making a lump sum available for temporary employees.

On amendment No. 44: Appropriates \$2,332,000 for salaries, light-house vessels, Bureau of Lighthouses, as proposed by the Senate, instead of \$2,302,000, as provided by the House.

On amendment No. 45: Makes appropriation for field expenses, coastal surveys, Coast and Geodetic Survey, available for employment in the field and office of two physicists, as proposed by the Senate.

On amendment No. 46: Restores appropriation of \$64,550 for magnetic and seismological work, Coast and Geodetic Survey, and makes \$4,550 of such appropriation available for resurvey of San Andreas fault line, both of which were provided by the House, instead of appropriating \$60,000 and eliminating the aforementioned survey, as proposed by the Senate.

On amendment No. 47: Appropriates \$582,000 for pay of officers and men on vessels, Coast and Geodetic Survey, as proposed by the House, instead of \$554,500 as provided by the Senate.

On amendment No. 48: Appropriates \$580,000 for departmental salaries, Coast and Geodetic Survey, as proposed by the House, instead of \$570,000, as proposed by the Senate.

On amendment No. 49: Appropriates \$962,000 for propagation of food fishes, Bureau of Fisheries, as proposed by the House, instead of \$1,002,000, as provided by the Senate.

On amendment No. 50: Eliminates Senate language proposing to make appropriation for propagation of food fishes, Bureau of Fisheries, available in the amount of \$40,000 to acquire fish cultural stations in Oklahoma.

On amendment No. 52: Inserts Senate limitation of \$67,000 on pay of permanent employees, fishery industries, Bureau of Fisheries, instead of \$60,000, as proposed by the House.

On amendment No. 53: Appropriates \$83,600 for fishery industries, Bureau of Fisheries, as proposed by the Senate, instead of \$73,600, as provided by the House.

On amendment No. 54: Corrects punctuation.

Department of Labor

On amendment No. 55: Makes appropriation for families, field service, Immigration and Naturalization Service, available in the amount of \$50,000, instead of \$100,000, as proposed by the Senate, for increase in salaries of employees receiving less than \$2,000 per annum.

On amendment No. 56: Corrects punctuation.

On amendment No. 57: Amends a limitation, the effect of which is to require officers and employees of the United States appropriated for in the act to be citizens of the United States, by exempting persons in the service of the United States on the date of the approval of the act, who, being eligible for citizenship, had filed a declaration of intention to become a citizen, or who owed allegiance to the United States, as proposed by the Senate.

On amendment No. 58: Further limits the subject matter of amendment No. 57 by providing that the limitation shall not apply to the employment of interpreters in the Immigration and Naturalization Service (not to exceed 10 permanent employees and such temporary employees as are required from time to time) where competent citizen interpreters are not available, as proposed by the Senate.

The committee of conference report in disagreement amendments No. 14 and No. 15 relating to pay of certain employees of the District Court, Panama Canal Zone, Department of Justice and amendment No. 51 relating to appropriation for construction of fish screens and their installation on certain property, under the Bureau of Fisheries, Department of Commerce.

THOS. S. McMILLAN,

M. C. TARVER,

JAMES MCANDREWS,

LOUIS C. RABAUT,

MILLARD CALDWELL,

ROBERT L. BACON,

(Except as to amendment No. 34),

ALBERT E. CARTER,

Managers on the part of the House.

Mr. McMILLAN. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

Mr. McMILLAN. Before we take up the amendments in disagreement, Mr. Speaker, I think I should call the House's attention to the fact that the bill is over \$1,000,000 less than the Budget estimates. The total appropriation carried in the bill is \$130,825,300, which is \$313,585 in excess of the amount carried when the bill originally passed the House.

For the purposes of the Record the following statement indicates a comparison of the appropriations for each of the four Departments carried in this bill with the appropriations for the current year and the estimates for 1939:

	Appropriations for 1938	Estimates for 1939	Amount rec- ommended in bill for 1939	Increase (+) or decrease (-) bill compared with 1938 appropriations	Increase (+) or decrease (-) bill compared with 1939 estimates
State Department.....	\$19,340,713.34	\$17,017,970.73	\$16,663,750	-\$2,676,933.34	-\$354,220.73
Justice Department.....	41,487,330.00	43,667,761.00	42,404,265	+916,935.00	-1,263,496.00
Commerce Department.....	43,388,342.00	46,782,720.00	47,424,335	+4,035,993.00	+841,615.00
Labor Department.....	23,681,920.00	24,445,760.00	24,332,950	+651,030.00	-112,810.00
Grand total.....	127,898,305.34	131,914,211.73	130,825,300	+2,928,994.66	-1,088,911.73

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Amendment No. 14: Page 51, line 4, strike out "\$44,812" and insert "\$46,085."

Mr. McMILLAN: Mr. Speaker, I move to recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 15: Page 51, line 4, after the figures "\$46,085", insert "together with not to exceed \$1,500 of the unexpended balance of the appropriation for this purpose in the Department of Justice Appropriation Act, 1938, and such amount shall be available to pay additional compensation to the following officials of the court for the fiscal year 1938: District attorney, \$500; assistant district attorney, \$250; marshal, \$500; deputy marshal, \$250: *Provided further*, That during the fiscal year 1939 the compensation of the court officials named shall be at the rates as follows: District attorney, \$5,500; assistant district attorney, \$4,050; marshal, \$5,500; deputy marshal, \$3,125."

Mr. McMILLAN. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

Mr. TABER. Mr. Speaker, will the gentleman yield me about 3 minutes?

Mr. McMILLAN. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, under the statutes the salaries of these officials, which this law attempts to raise, are subject to being fixed by the President of the United States. That is the way the law is drawn at present. It is different from the Classification Act.

This amendment attempts to change the salaries in cases where the President has refused to grant certain increases. On top of that it dates these increases back to the 1st of July 1937. I do not like that way of doing business. Frankly, I believe that when we set up a certain method of handling salaries and increases, that method should be adhered to. I do not believe in increasing salaries and dating the increase back to a period more than 9 months prior to the time when the raise takes effect.

Mr. Speaker, I hope the House will not agree to this amendment.

Mr. McMILLAN. Mr. Speaker, I yield 5 minutes to the gentleman from Georgia [Mr. TARVER].

Mr. TARVER. Mr. Speaker, the amendment to which the gentleman from New York objects does not propose to date back extra compensation for the officials named in the amendment. There was some discussion of this matter when the bill originally passed the House, and the gentleman from New York then raised a point of order against this provision, which had been reported to the House by the House committee.

Last year when we passed the appropriation bill of the Department of Justice for this fiscal year 1938, the House made provision for these so-called retroactive increases. In other words, the House made provision for these exact increases in the salaries of these officials, beginning July 1, 1937. Its action in so doing was prospective and not retroactive. The attention of neither the committee nor the House at that time was called to a peculiar circumstance

with regard to this court, in that as originally created and before it was transferred to its present status as a Federal court provision was made for the fixing of the salaries of these officials by the President. For that reason, the increases which the committee and the Congress sought to provide for these officials and which, according to the evidence before our committee, were amply deserved and sufficed to make them somewhat in line with the salaries of similar officials in other United States courts, were not made effective and these officials did not receive the increases in salary for which the Congress had provided. Therefore, when we began to formulate the bill for the fiscal year 1939 we sought to place in the bill language which would assure these officials the benefit of the increases which had been intended by the Congress. This language was stricken out on a point of order raised in the House by the gentleman from New York [Mr. TABER] but was reinserted in the Senate.

The President has never passed on this question one way or the other, as far as I am advised. There is no question here of overriding Presidential action, because there has been no Presidential action. There is simply an effort by the committees of the House and Senate who have heard the evidence relating to this matter to afford these employees salaries commensurate with the duties they perform and comparable to the salaries received by similar officials in other courts of the United States.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. TARVER. I yield to the gentleman from New York.

Mr. TABER. I call the gentleman's attention to this language:

And such amount shall be available to pay additional compensation to the following officials of the court for the fiscal year 1938.

Does this not carry the increases in salaries back to July 1, 1937? According to my understanding, it does.

Mr. TARVER. The gentleman evidently did not clearly understand my attempted explanation. We appropriated these same amounts last year, the increases to be effective July 1, 1937, for these officials for the present fiscal year.

Mr. TABER. I understand that.

Mr. TARVER. They expected to receive it. It was provided by Congress. This is simply a reappropriation of what we have already provided for their benefit.

Mr. TABER. That is true, but the President failed to put into effect the increase he had the authority to allow.

Mr. TARVER. The gentleman stated the President had denied the increase.

Mr. TABER. No; he failed to put it into effect.

Mr. TARVER. As far as I am advised, the President has not passed upon the matter one way or the other, but the committees have passed on the matter on the evidence they had before them.

[Here the gavel fell.]

The SPEAKER. The question is on the motion of the gentleman from South Carolina [Mr. McMILLAN] that the House recede and concur in the Senate amendment.

The question was taken; and on a division (demanded by Mr. TABER) there were—ayes 67, noes 20.

So the motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 51: On page 93, after the period in line 8 insert a new paragraph as follows:

"Construction of fish screens: For construction, operation, and maintenance, in cooperation with the Bureau of Reclamation, of fish screens and ladders on Federal irrigation projects, \$20,000, of which not to exceed \$6,400 may be expended for the pay of employees engaged in the conduct of investigations and surveys, the preparation of designs, and the supervision of construction, in connection with such screens and ladders."

Mr. McMILLAN. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. McMILLAN moves that the House recede and concur in the Senate amendment with an amendment, as follows: In lieu of all of the matter inserted by the Senate amendment, insert the following:

"Construction of fish screens: For construction, operation, and maintenance, in cooperation with the Bureau of Reclamation and the Bureau of Indian Affairs, or either, of fish screens and ladders on Federal irrigation projects, and for the conduct of investigations and surveys, the preparation of designs, and supervision of construction of such screens and ladders; and for determining the requirements for fishways and other fish protective devices at dams constructed under licenses issued by the Federal Power Commission in accordance with the provisions of the Federal Water Power Act (16 U. S. C. 791), \$20,000, of which not to exceed \$6,400 may be expended for the pay of permanent employees."

Mr. McMILLAN. Mr. Speaker, I may say this word in explanation.

The Senate amendment provided for this cooperation between the Bureau of Fisheries and the Bureau of Reclamation in the matter of installing screens to protect fish life. This amendment merely extends that same measure of cooperation to the Bureau of Indian Affairs, in addition to the Bureau of Reclamation, and permits studies and work to be undertaken respecting fish conservation in connection with projects licensed by the Federal Power Commission.

The motion was agreed to.

A motion to reconsider the votes by which the several motions were agreed to was laid on the table.

NAVAL APPROPRIATION BILL, 1939

Mr. UMSTEAD. Mr. Speaker, I call up the conference report on the bill (H. R. 8993) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1939, and for other purposes, and I ask unanimous consent that the statement may be read in lieu of the report.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8993) "making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1939, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1, 2, 3, 4, 5, 6, 7, 8, 9, 11, 12, 13, 14, 15, 21, 22, 23, 25, 26, 28, 31, 32, 39, 43, 44, 45, and 46.

That the House recede from its disagreement to the amendments of the Senate numbered 10, 20, 29, 33, 34, 35, 36, 37, 38, 40, 41, and 42, and agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$35,457,649"; and the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment, as follows: In lieu of the sum proposed insert "\$1,716,318"; and the Senate agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment amended to read as follows: "except not more than one officer of the rank of rear admiral"; and the Senate agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment, as follows: In lieu of the

sum proposed insert "\$47,368,478"; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment, as follows: In lieu of the sum proposed, insert "\$176,841,282"; and the Senate agree to the same.

Amendment numbered 27: That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment, as follows: In lieu of the sum proposed, insert "\$200,940,752"; and the Senate agree to the same.

Amendment numbered 30: That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment, amended to read as follows:

"STRATEGIC AND CRITICAL MATERIALS"

"For the procurement and transportation of strategic and critical materials, \$500,000, to remain available until expended: *Provided*, That materials acquired hereunder shall not be issued for current use in time of peace without the approval of the Secretary of the Navy, except that materials acquired under this title may be issued for current use when replaced by materials purchased from current appropriations: *Provided further*, That for the purposes of this paragraph, the Secretary of the Navy shall determine what materials are strategic and critical."

And the Senate agree to the same.

WILLIAM B. UMSTEAD,
W. R. THOM,
J. G. SCRUGHAM,
JOSEPH E. CASEY,
CHARLES A. PLUMLEY,

Managers on the part of the House.

JAMES F. BYRNES,
DAVID I. WALSH,
FREDERICK HALE,

Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8993) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1939, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

On amendments Nos. 1, 2, 3, 4, 5, 6, 7, 8, 11, 12, 13, 14, 15, 28, 31, 32, 39, 43, and 46, relating to limitations upon expenditures for pay of Group IV-B employees: Restores the arrangement of such limitations in the bill as proposed by the House.

On amendments Nos. 9 and 10, relating to the appropriation "Maintenance and repairs, Naval Academy": Appropriates \$1,062,566, as proposed by the House, instead of \$1,073,816, as proposed by the Senate, and makes immediately available the amount of \$14,000 proposed by the House for the provision of an additional well, as proposed by the Senate.

On Nos. 16, 17, 18, and 19, relating to flight pay of officers: Limits the number of officers of flag rank who might draw flying pay to one, instead of two, as proposed by the House, and none, as proposed by the Senate. The one is intended to be the incumbent of the office of Chief of the Bureau of Aeronautics. This action details a lesser appropriation by \$4,000 than proposed by the House, and a greater appropriation, by a like amount, than proposed by the Senate.

On amendment No. 20: Corrects the spelling of a word.

On amendments Nos. 21, 22, 23, 25, and 26, relating to the appropriation "Pay, subsistence, and transportation of naval personnel": Eliminates the increase of \$317,248 proposed by the Senate for pay, subsistence, and transportation for an average increase of 5,285 enlisted men, thus maintaining the increase at the average number of 5,050, proposed by the House.

On amendments Nos. 24 and 27: Changes totals to conform with action touching officer and enlisted personnel.

On amendment No. 29: Broadens source of income from sales, with view to augmenting capital of Naval Supply Account Fund, as proposed by the Senate.

On amendment No. 30: Appropriates \$500,000 for the procurement of strategic and critical materials, instead of \$3,000,000, as proposed by the House. The Senate proposed no appropriation.

On amendment No. 33: Provides for the procurement of 11 passenger-carrying automobiles, as proposed by the Senate, instead of 10, as proposed by the House.

On amendments Nos. 34, 35, 36, 37, and 38, relating to Public Works, Bureau of Yards and Docks: Raises the cost of the storehouse at the Mare Island Navy Yard from \$500,000, as proposed by the House, to the authorized limit of \$800,000, as proposed by the Senate; provides that the appropriation proposed by the House for dredging at Pearl Harbor, Hawaii, shall be available for dredging in the fourteenth naval district, as proposed by the Senate; appropriates \$40,000 for officers' quarters at the Naval Station, Balboa, Canal Zone, as proposed by the Senate; and appropriates \$120,000 for officers' quarters at the submarine base, Coco Solo, Canal Zone, to cost in all \$360,000, as proposed by the Senate.

On amendments Nos. 40, 41, and 42, relating to the Marine Corps: Provides for continuation of existing limitation upon em-

ployment of enlisted men at Marine Corps Headquarters, as proposed by the Senate, instead of providing for ultimate discontinuance of the practice, as proposed by the House, and appropriates \$2,400,000 under the miscellaneous subhead of the appropriation "General Expenses, Marine Corps," as proposed by the Senate, instead of \$2,385,000, as proposed by the House.

On amendments Nos. 44 and 45, relating to "Replacement of Naval Vessels": Appropriates \$117,363,150 under the "Construction and machinery" subhead, as proposed by the House, instead of \$119,900,000, as proposed by the Senate, and restores the provision proposed by the House designed to curtail the period following the first commissioning date of new ships during which obligations might be incurred. The limitation is not intended to interfere with expenditures in consequence of properly incurred obligations.

WILLIAM B. UMSTEAD,
W. R. THOM,
J. G. SCRUGHAM,
JOSEPH E. CASEY,
CHARLES A. PLUMLEY,

Managers on the part of the House.

Mr. UMSTEAD. Mr. Speaker, the Budget approved estimates for the Navy Department for the fiscal year of 1939 in the sum of \$564,406,461. As passed by the House, the naval appropriation bill carried \$549,195,494. The Senate added items to the bill calling for an addition of \$3,040,348, and it subtracted from our bill in two places a total of \$3,008,000, the net result being an increase of \$32,348 over the amount carried in the House bill.

The Senate has receded from all of its increases but \$175,000, and of its decreases we have accepted \$2,504,000.

Therefore the bill will carry, if you approve this conference report, \$546,866,494, which is \$2,329,000 less than the bill carried as it passed the House, \$2,361,348 less than it carried as it passed the Senate, and \$17,539,967 under the Budget estimate, excluding reappropriations of \$4,071,000.

Taking into account the reappropriations, the bill is still \$13,468,967 below the Budget estimates for 1939, and I might say in that connection, Mr. Chairman, that this is the third successive regular annual appropriation bill for the Navy that I have been able to bring back from conference calling for less money than the bills carried when they left the House.

If there are any questions, I shall be pleased to answer them.

Mr. VINSON of Georgia. Mr. Speaker, will the gentleman from North Carolina yield me 5 minutes?

Mr. UMSTEAD. Mr. Speaker, I yield the gentleman from Georgia 5 minutes.

Mr. VINSON of Georgia. Mr. Speaker, when this conference report is disposed of, the gentleman from North Carolina [Mr. UMSTEAD] will have finished his responsibilities in connection with the regular annual naval appropriation bills, because, as all of you know, he has announced his intention not to be a candidate for reelection.

I am sure, Mr. Speaker, there is not a Member of this body who will not have a feeling of profound regret that we are to lose Mr. UMSTEAD as a colleague and that we shall not have his wise counsel and leadership as regards financing naval legislation.

Mr. UMSTEAD entered the House at the beginning of the Seventy-third Congress. One term later, at the beginning of the Seventy-fourth Congress, he had the distinction of being assigned to membership on the Committee on Appropriations. Among other assignments on that committee, he was given membership on the subcommittee having charge of appropriations for the Navy Department. After 1 year's service on that subcommittee it devolved upon Mr. UMSTEAD to bring into the House and engineer the passage of the naval appropriation bill for the fiscal year 1937. It will be recalled that the chairman of the subcommittee, the late Hon. Glover H. Cary, was suddenly stricken with an illness from which he never recovered.

The masterful way in which Mr. UMSTEAD stepped into the breach and handled that measure won the respect and admiration of every Member of this House. He there at once demonstrated those qualities which earn Members of this body the confidence and respect of their colleagues and of their country. He was a master of his subject, he knew

whereof he spoke, he was convincing, he was forceful, he was fair, he was gracious, and, above all, he was courteous.

The year following Mr. UMSTEAD succeeded to the chairmanship of the Naval Subcommittee and was responsible in his own right for the appropriation bill for the current fiscal year, as he has been for the one now about to become law.

Mr. Speaker, this is the seventeenth annual naval appropriation bill that has been handled by the Committee on Appropriations. Prior to the fiscal year 1922 such bills were under the jurisdiction of the committee of which I have the honor to be chairman. In those 17 years Mr. UMSTEAD's predecessors as subcommittee chairmen have been the Honorable Patrick J. Kelley, of Michigan; the Honorable Burton L. French, of Idaho; the Honorable William A. Ayres, of Kansas; and the Honorable Glover H. Cary, of Kentucky. Those of you who served here when those distinguished men had charge of appropriations for the Navy know of their high caliber and of the regard and esteem entertained for them by their colleagues without regard to party. In my judgment the roster is enriched by the addition of the name of WILLIAM B. UMSTEAD. [Applause.]

I am sure every one of you regrets as keenly as I do his departure from our midst and join with me in the fervent hope that he and his loved ones may live to enjoy a long and prosperous life. [Applause.]

Mr. WOODRUM. Mr. Speaker, will the gentleman yield?

Mr. VINSON of Georgia. I yield.

Mr. WOODRUM. Mr. Speaker, I would like to concur very heartily in everything that the distinguished gentleman from Georgia has said about Mr. UMSTEAD. I have served on the Appropriations Committee with the distinguished gentleman from North Carolina, and I have observed, as have other Members, his high sense of duty, his indefatigable application to that duty, his splendid conception of the functions of the Appropriations Committee and its limitations, and his courtesy always to his colleagues. I join with the gentleman from Georgia and the other Members of the House in feeling that Mr. UMSTEAD's leaving this body will be a great loss to the country. [Applause.]

Mr. SNELL. Mr. Speaker, will the gentleman from Georgia yield?

Mr. VINSON of Georgia. I yield to the gentleman from New York.

Mr. SNELL. As one of Mr. UMSTEAD's colleagues on the other side of the aisle, I heartily approve everything that the gentleman from Georgia has said about his service in the House. I feel it is very much to be regretted that a man with his fine sense of honor, good judgment, and ability is going to retire at the end of the present session. [Applause.]

Mr. RAYBURN. Mr. Speaker, will the gentleman yield?

Mr. VINSON of Georgia. I yield to the gentleman from Texas.

Mr. RAYBURN. I want to join, with all the sincerity that is in me, in every compliment that has been paid to our colleague, Mr. UMSTEAD. I have said in other places, and I say it here, that I do not know of a man who has come to this House in the years I have been honored by membership in it, who for the time he has served, has better, if as well, impressed himself upon the membership of this body by his outstanding ability, by his fairness, and by the wonderful character that he exhibits upon all occasions. [Applause.]

Mr. DOUGHTON. Mr. Speaker, will the gentleman yield?

Mr. VINSON of Georgia. Mr. Speaker, I yield to the gentleman from North Carolina.

Mr. DOUGHTON. Mr. Speaker, I feel I would be unfaithful to my own feelings and my sense of duty were I not to speak a word in connection with my friend and colleague the gentleman from North Carolina, Mr. UMSTEAD, who is to retire from this body at the end of this present term. The things that have been very appropriately said this morning concerning his services, by those from other States, I am sure will be highly appreciated by his friends in North Carolina. Being the dean of the North Carolina delegation in the House of Representatives, and having observed very carefully the men whom our State has sent here since I

have been a Member of this body, as well as those sent here by other States, I am free to say that I have never known a man who has more faithfully, more competently, or more assiduously discharged the duties incumbent upon a Representative in Congress than my beloved colleague from North Carolina, Mr. UMSTEAD, and I am sure that his leaving the House is not only a distinct loss to the House and to the country, but primarily it is a great loss to North Carolina and the North Carolina delegation, and no matter who may succeed him, it will take him years of work to ever equal the services rendered by the gentleman from North Carolina. No one has come from our State since I have been here whose leaving has been a greater loss than that which we feel in the going of our colleague, Mr. UMSTEAD.

Mr. KERR. Mr. Speaker, will the gentleman yield?

Mr. VINSON of Georgia. Mr. Speaker, I yield to the gentleman from North Carolina.

Mr. KERR. Mr. Speaker, I share with deep pride the fine expressions manifested by this House in relation to my beloved colleague Mr. UMSTEAD. Probably I have known him better than anybody else in this House. When I was a judge in North Carolina he came to the bar, and I have observed him for the last 20 years. He has always manifested as a citizen, as a lawyer, and as a public official the same fidelity and exact observance of duty manifested by him since he has been a Member of this House. My State is thrilled with pride, I assure you, in the realization that he has made a reputation such as has brought forth the expressions we have heard from his colleagues here today.

Mr. UMSTEAD. Mr. Speaker, I very deeply appreciate the remarks concerning me and my service here in the House by the distinguished gentlemen who have just spoken.

I move the previous question on the adoption of the conference report.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

A motion to reconsider the vote by which the conference report was agreed to was laid on the table.

TIDEWATER CONSTRUCTION CORPORATION

Mr. KENNEDY of Maryland. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3915) conferring jurisdiction upon the United States District Court for the Eastern District of Virginia to hear, determine, and render judgment upon the claim of the Tidewater Construction Corporation, with a Senate amendment thereto, and concur in the Senate amendment.

The SPEAKER. Is there objection?

There was no objection.

The Clerk reported the title of the bill.

The SPEAKER. The Clerk will report the Senate amendment.

The Clerk read the Senate amendment, as follows:

Page 2, line 20, after "act", insert "": *And provided further, That the judgment, if any, shall not exceed the sum of \$3,900.*"

The SPEAKER. The question is on agreeing to the Senate amendment.

The Senate amendment was agreed to.

GEORGE SHADE AND VAVA SHADE

Mr. KENNEDY of Maryland. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 5338) for the relief of George Shade and Vava Shade, with a Senate amendment thereto, and concur in the Senate amendment.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the Senate amendment.

The Clerk read the Senate amendment, as follows:

Page 1, line 15, after "Iowa", insert "": *Provided, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and*

the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000."

The SPEAKER. The question is on agreeing to the Senate amendment.

The Senate amendment was agreed to.

GEORGE W. HALL

Mr. KENNEDY of Maryland. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 5737) to confer jurisdiction on the Court of Claims to hear, determine, and render judgment upon the claim of George W. Hall against the United States, with a Senate amendment thereto, and concur in the Senate amendment.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the Senate amendment.

The Clerk read the Senate amendment, as follows:

Page 2, line 5, after the word "act", insert "*Provided further, That the judgment, if any, shall not exceed the sum of \$15,000.*"

The SPEAKER. The question is on agreeing to the Senate amendment.

The Senate amendment was agreed to.

RUTH RULE

Mr. KENNEDY of Maryland. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 5731) for the relief of Ruth Rule, a minor, with a Senate amendment thereto, and concur in the Senate amendment.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the Senate amendment.

The Clerk read as follows:

Page 1, line 7, strike out "\$5,000" and insert "\$3,500."

The SPEAKER. The question is on agreeing to the Senate amendment.

The Senate amendment was agreed to.

JOHN CALARESO, A MINOR

Mr. KENNEDY of Maryland. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6370) for the relief of John Calareso, a minor, with Senate amendment thereto, and agree to the Senate amendment.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The Clerk read the Senate amendment, as follows:

Page 1, line 6, strike out "\$1,075" and insert: "\$1,000."

The Senate amendment was agreed to.

OLD VILLAGE HARBOR AREA OF BOSTON

Mr. KENNEDY of Maryland. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 1948) conferring jurisdiction upon the United States District Court for the District of Massachusetts to hear, determine, and render judgment upon the claims of certain property owners within the Old Harbor Village area of Boston, Mass., with Senate amendments, disagree to the Senate amendments, and request a conference.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Maryland? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. KENNEDY of Maryland, RAMSPECK, and CARLSON.

ROBERTA CARR

Mr. KENNEDY of Maryland. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 2191) for the relief of Roberta Carr, with a Senate amendment, disagree to the Senate amendment, and request a conference.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Maryland? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. KENNEDY of Maryland, RAMSPECK, and CARLSON.

HENRY M. HYER

Mr. KENNEDY of Maryland. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 2362) for the relief of Henry M. Hyer, with a Senate amendment, disagree to the Senate amendment, and request a conference.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Maryland? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. KENNEDY of Maryland, RAMSPECK, and CARLSON.

W. D. PRESLEY

Mr. KENNEDY of Maryland. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 2665) for the relief of W. D. Presley, with a Senate amendment, disagree to the Senate amendment, and request a conference.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Maryland? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. KENNEDY of Maryland, RAMSPECK, and CARLSON.

MIRIAM GRANT

Mr. KENNEDY of Maryland. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6618) for the relief of Miriam Grant, with a Senate amendment, disagree to the Senate amendment, and request a conference.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Maryland? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. KENNEDY of Maryland, RAMSPECK, and CARLSON.

WILLIAM R. KELLOGG

Mr. KENNEDY of Maryland. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 371) for the relief of William R. Kellogg, insist upon the House amendments, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Maryland? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. KENNEDY of Maryland, RAMSPECK, and CARLSON.

A. C. WILLIAMS

Mr. KENNEDY of Maryland. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 1043) for the relief of A. C. Williams, insist upon the House amendments, and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Maryland? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. KENNEDY of Maryland, RAMSPECK, and CARLSON.

CONSOLIDATED AIRCRAFT CORPORATION

Mr. KENNEDY of Maryland. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the conference report on the bill (S. 1882) entitled "An act for the relief of the Consolidated Aircraft Corporation", and agree to the same.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The Clerk read the conference report.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1882),

entitled "An Act for the relief of the Consolidated Aircraft Corporation", having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its amendment.

AMEROSE J. KENNEDY,
EUGENE J. KEOGH,
FRANK CARLSON,

Managers on the part of the House.

L. B. SCHWELLENBACH,
M. M. LOGAN,

Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1882) for the relief of the Consolidated Aircraft Corporation submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report:

The House Committee on Claims recommended the bill to the House in the amount of \$92,993.40, in full settlement of all claims against the United States for additional costs incurred by such corporation in the performance of a contract with the Department of War. This is the amount for which the Senate passed the bill. An amendment was offered on the floor of the House reducing the amount from \$92,993.40 to \$75,805.34. This amendment was accepted by the House.

At the conference the House conferees receded from the amendment of the House and the original amount of \$92,993.40 was agreed upon by the conferees.

AMEROSE J. KENNEDY,
EUGENE J. KEOGH,
FRANK CARLSON,

Managers on the part of the House.

The conference report was agreed to, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. SNELL. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. DITTER] may extend his own remarks in the RECORD.

The SPEAKER. Without objection, it is so ordered.

Mr. FULLER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD at this point by inserting my statement made before the House Committee on Flood Control.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The statement referred to is as follows:

STATEMENT OF CONGRESSMAN FULLER BEFORE THE HOUSE COMMITTEE ON FLOOD CONTROL

Mr. FULLER. I have a bill pending before this committee, known as H. R. 9701, providing for reservoirs at Beaver and Wild Cat Shoals on White River; at Norfolk on the North Fork River; and near Lone Rock on the Buffalo River, all in the Ozark Mountains in northwest Arkansas. These reservoirs to be built for the dual purpose of power and flood control. From the report of the Army engineers, while Beaver could be used for both purposes, its primary purpose was considered more as a reservoir and the engineers have made no detailed report upon this project.

The National Rivers and Harbors Congress has endorsed Norfolk and Lone Rock. In Committee Document No. 1, known as a Comprehensive Flood Control Plan for the Ohio and Lower Mississippi Rivers, Norfolk and Lone Rock are both included, together with a plat, as shown in your committee room. No report was made on Wild Cat Shoals, as testified to by Colonel Reybold, for the reason that the Army engineers thought a permit or license had been granted on this site to a corporation. However, in his testimony Colonel Reybold gave a statement concerning its possibility and declared it to be a wonderful project for power and flood control.

House Document No. 102, of 1932, by the Army engineers, goes into elaborate details as to Wild Cat Shoals, Norfolk, and Lone Rock. These three projects are located in a circle of approximately 12 miles, could and should be used as one unit. In my opinion they are the best sites for power and flood control in the United States, between the Allegheny and Rocky Mountains, and should be utilized only for the dual purpose, and will control flood waters and produce more power than any comparable sites.

The approximate cost, as estimated by the Army engineers, as detailed by Colonel Reybold, for these three main projects are as follows:

Wild Cat Shoals, 216-foot dam

Acre-feet for power.....	300,000
Acre-feet for flood.....	2,155,000
Total acre-feet.....	2,455,000

Wild Cat Shoals, 216-foot dam—Continued

Cost of construction:	
For power.....	\$8,000,000
For flood control.....	18,161,000
Total.....	26,170,000
Plus:	
Damages for power.....	411,000
Damages for flood control.....	2,954,000
Total damages.....	3,365,000
Total cost for power.....	8,420,000
Total cost for flood control.....	21,115,000
Grand total.....	29,535,000

Norfolk, 200-foot dam

Acre-feet.....	750,000
Cost of construction:	
For power.....	\$6,693,000
For flood control.....	11,978,000
Total.....	18,671,000
Plus:	
Damages for power.....	913,000
Damages for flood control.....	1,202,000
Total.....	2,115,000
Total cost for power.....	7,606,000
Total cost for flood control.....	13,180,000
Grand total.....	20,786,000

Lone Rock, 230-foot dam

Acre-feet.....	600,000
Cost of construction:	
For power.....	\$6,854,000
For flood control.....	8,128,000
Total.....	14,982,000
Plus:	
Damages for power.....	695,000
Damages for flood control.....	673,000
Total.....	1,368,000
Total cost for power.....	7,549,000
Total cost for flood control.....	8,791,000
Grand total.....	16,350,000

Over 15 years ago, when the Federal Power Commission was first created, the White River Power Co. obtained license No. 1 for a power project located at Wild Cat Shoals on White River in Arkansas. This company now has an application pending before said Commission—No. 654—for a new license. The outstanding capital stock of the White River Power Co. is owned by the Garland Power & Development Co., the common stock of which is in turn owned by the Arkansas Power & Light Co., and it is generally understood that the Arkansas Power & Light Co. is owned and controlled by the Electric Bond & Share Co. of New York. And the latter company operates a majority of the electric plants in Arkansas and an equivalent number in Mississippi and Louisiana.

It is generally known that the Couch interests in Arkansas do not intend to build a plant at Wild Cat Shoals; do not now have and will not be granted a license for such purpose.

The electric power in the State of Arkansas is controlled by two large utility companies and approximately one-half the power is developed outside of the State. In addition thereto there is scarcely a State in the Union that pays a higher rate for electric power and lights. The State of Arkansas ranks among the first in rural electrification, and unless a cheaper power is obtained I fear for the welfare of these farmer organizations. North Arkansas is not only in need of cheaper power for the farmers and city dwellers in a position to buy, but for the purpose of developing its great mineral resources, which include an abundance of lead, zinc, manganese, marble, iron, phosphate, glass sand, etc.

No project where flood control dominates or where the reservoir is to be for a dual purpose can be built where the local people are required to pay the damages. As a matter of fact, there is no reason why local people should pay damages. The flood-control value is for the lower White and Mississippi Rivers and the power for the States of Arkansas and Missouri.

From the above figures it will be noticed there are 1,350,000 acre-feet in the Norfolk and Lone Rock Reservoirs, damages for flood predominate, as is true in the cost of construction. These two reservoirs present wonderful potentialities for power as well as flood control. It will be noticed that the Wild Cat Shoals project, with almost twice as many acre-feet, costs approximately seven and a half million dollars less than the other two, creates more flood pro-

tection, and develops twice the electric power. The cost for flood control on this reservoir is almost 70 percent of the entire cost.

While all three of these reservoirs must be considered in a flood-control program on the White River, I can conceive of no reason why they should be erected solely for that purpose, and would bitterly oppose any undertaking to build the reservoirs for flood control only.

No license should be given to any private concern to erect a power or flood dam on White River near Wild Cat Shoals. While I should be pleased to have included in your bill Norfolk and Lone Rock, yet I call your attention to the fact that Wild Cat Shoals is eligible and is the best project, in my opinion, that could be submitted to this committee. It only costs 9.80 per acre-foot for flood control and for such is the least cost submitted to your committee. It covers the largest drainage area and will not interfere with any Federal highways, towns, or railroads. There is ample demand and will continue to be for the sale of power.

This site is approximately 90 miles from Little Rock; 100 miles from Fort Smith; 125 miles from Memphis; 80 miles from Fayetteville; 75 miles from Springfield, Mo.; and 200 miles from St. Louis and Kansas City.

According to the estimate of the Army engineers, it will yield an average annual output of 522,776,000 kilowatt-hours, with an estimated net average return on the investment of 9.8 percent, figured on a basis of 2 mills per kilowatt-hour, for secondary, and 8 mills per kilowatt-hour for 90 percent time power.

This is one project which will be self-liquidating in 15 years—20 years at the limit—and in time all three of the dams should be erected and placed in one unit.

It will furnish more electric power than is now used by the entire State of Arkansas and in conjunction with Norfolk, Lone Rock, and Beaver would furnish more than twice the power now consumed in Arkansas.

These reservoirs, with the other four projects recommended by the engineers in north Arkansas and one in Missouri, will reduce the height of a flood on the lower White River between 8 and 9 feet; and likewise reduce the flood height on the Mississippi 2½ feet. There is no other combination, such as presented in my bill, for an ideal T. V. A. project in the Nation, especially when the cost is considered. In addition thereto the main cost of these reservoirs is flood control and by their erection will serve a dual purpose.

Some provision should be included in the bill to take care of a reasonable tax upon the inundated lands and installation of necessary machinery and equipment for development of power.

I am assured the entire delegation in Congress from Arkansas joins in my contention for the inclusion of Wild Cat Shoals.

In this the Arkansas State flood-control committee joins.

There are some who would like to make a flood-control project only out of Norfolk and Lone Rock, thus taking lands out of cultivation and off the tax books and leaving dirty banks in the summer and fall when water is scarce and bringing no returns of local benefit. But I am sure this will never occur as long as I am in Congress.

EXTENSION OF REMARKS

Mr. SWEENEY. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD on the subject of H. R. 4721, and to include therein a statement by Martin A. McCormick, president of the Cleveland chapter of the National Lawyers' Guild, on the same bill, which has to do with the reform of Federal procedure in our courts.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. SMITH of Virginia. Mr. Speaker, under a previous order, the gentleman from New York [Mr. BOYLAN] had time allotted to him to speak today. He will be unable to be present today and will not need the time allotted. On his behalf, I ask unanimous consent that he may extend his remarks in the RECORD at this point.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

THOMAS JEFFERSON

Mr. BOYLAN of New York. Wednesday, April 13, was the one hundred and ninety-fifth anniversary of the birth of Thomas Jefferson. Thomas Jefferson was the foremost apostle of liberty—human liberty—the world has ever known. Other men, including many who were associated with him in creating this great Republic, were more interested in the forms of freedom, in liberty as an abstract idea, than in universal emancipation. Some sought to trammel liberty and keep it within narrow bounds. Many of the founders proposed a system of government which would have been little short of a republican monarchy.

But Jefferson had an infinite faith in the people. In days of distrust of the populace, agitation, and revolution, and

at a time when democracy was but a name, he stood firm for a government in which the power would be resident not in the men of intellect, of financial influence, or social standing, but in the artificers of the cities, the woodsmen of the frontier, the laborers of the farms and plantations, the seamen along the Atlantic coast. He was the plain people's only champion at a time when they were inarticulate.

Jefferson's birthday should be a day upon which we rededicate ourselves to the many great causes and the single great principle—human liberty—for which he fought over a period of 40 years. It may seem trite to recall his services to liberty, his struggling for the doctrine of universal emancipation, but it was not so in his day. His enemies, at home and abroad, sneered at his demands for the fullest form of freedom. They pointed to the excesses of the French Revolution and shuddered at the resulting wars which drenched Europe with blood from the north to the Red Sea.

"This," they retorted, "is what liberty would give us in America."

But Jefferson never faltered; his vision was keener than theirs, his trust greater, his understanding deeper. Jefferson labored to such avail that he created not only a nation but a party.

It was only a few years afterward that Jefferson became President of a nation and a party which, largely through his own efforts, were builded on the doctrine that all men are equal in the eyes of Nature and the law; that life, liberty, and happiness are inalienable rights; that the function of government is to safeguard and guarantee those rights; and that all authority and inspiration of government are drawn from the consent of the governed.

At the present time, when violent attacks are being made against democracy, not only here but throughout the world, and when the democratic idea is challenged in many countries, it is good to consider, even for a brief moment, the inspiring life and works of the first Democrat of our country, Thomas Jefferson.

It is admitted by the leading students of American history that Thomas Jefferson is one of the great Presidents of our country. He was more than a great President, he was a great man, whose influence is an active force in our own day, and will be for generations to come.

Let us ask ourselves why this is so—why Jefferson's name is one to conjure with. Let us analyze his character and review his accomplishments. Let us see what he has done in his own day that is of such vital importance in ours.

First, Jefferson wrote the Declaration of Independence. Except for a few minor verbal changes suggested by Adams and Franklin, this epoch-making document was entirely the result of his own brain and hand and reflected his own personal views. We need not dwell upon the importance of the Declaration to our country. But consider how much light it throws upon Jefferson's mind and character.

"ALL MEN ARE CREATED EQUAL"

These words were first used in a great political document by Jefferson. It was not a new idea of philosophy, but it was a new idea in practical politics; and had not Jefferson written the Declaration, these ringing words, it is quite likely, would have been missing therefrom.

What is more, Jefferson meant these words as written—not simply as a fine sentiment to be expressed on an important occasion.

Jefferson was a firm believer in the common people. He trusted them and considered their instincts wholesome and right. On this principle he fought Hamilton, who distrusted the people, doggedly, never yielding an inch. Jefferson could never yield on this principle for it was the foundation of his political faith. He was sure of his ground. He knew that democracy was safe in the hands of the Americans, because he knew his countrymen.

Consider what this country would be today if Jefferson and those who thought like him had not existed in the revolutionary period and Hamilton and his supporters had had their way.

We who enjoy religious freedom might fall into the erroneous belief that such freedom came to us as a matter of course. Religious freedom like political freedom had to be fought for and fostered. No great advance in civilization or human freedom has ever been accomplished without strife—oftentimes bitter strife. It is well to remember that Jefferson is the author of the Virginia statute separating church and state and guaranteeing religious freedom. In due time this important idea was made part of our Constitution. No one can possibly estimate the amount of good this provision has done and how much it has contributed to our happiness.

Jefferson went further. He fought for the establishment of free public schools and in due time became the father of the University of Virginia. He knew very well that ignorance and political and religious freedom do not well go together. He knew that the common people required education in order to preserve the liberties that they had won. No one knew better than he that education is the best weapon against tyranny and bigotry, and that an enlightened people cannot be enslaved.

It will always be remembered that nothing gave him so much happiness as the founding of the University of Virginia. He himself was a learned man in the best sense. He had an unquenchable curiosity about all things that concerned human beings. Knowledge to him was something to be treasured both for its own sake and for the use that human beings could make of it. For he was a great humanitarian.

Jefferson's opposition to slavery was well known. He was responsible for the Virginia law prohibiting the importation of slaves. In the original draft of the Declaration of Independence one of the important charges he made against George III and his Parliament was that they were responsible for slavery in America—the inhuman traffic in human beings. This was omitted in the final draft out of deference to Adams and Franklin. There was not much he could do about slavery in his own day. What he could he did.

Jefferson did much to widen the borders of our country. The Louisiana Purchase, for which he was responsible, increased the national territory about 140 percent and 13 States, in whole or in part, were carved out of it.

It will be remembered that he was the moving spirit behind the Lewis and Clark Expedition, which opened the West to the United States and made it possible for our country to grow as it did.

Jefferson never coveted or courted public office. His personal modesty followed him through life. In a sense he had no ambition whatever except the ambition to spread his democratic principles and do as much good as possible for his country and his countrymen.

He served as Ambassador to France and later as Secretary of State in a critical period of our country. He accomplished wonders in international relations. The dispatches he sent home are among the great state papers in our possession. His influence as a diplomat is lasting. He won respect for the young Republic abroad.

We can get some estimate of Jefferson as a diplomat from the following words taken from a communication of his to the American commissioners at Madrid. Jefferson wrote:

We love and we value peace; we know its blessings from experience; we abhor the follies of war and are not untried in its distresses and calamities. Unmeddling with the affairs of other nations, we have hoped that our distance and our disposition would have left us free in the example and indulgence of peace with all the world. * * * We confide in our strength without boasting of it; we respect that of others without fearing it.

The sentiment behind these words is so modern that had they been written yesterday we would not be astonished.

Jefferson served his country as President for 8 years, years marked by many important achievements. He did not want the Presidency, but his personal desires did not deter him from accepting the office when he realized that he was needed, nor from serving his country well. As President he showed the country that its affairs could be administered properly without catering to wealth and the special interests.

He demonstrated to the world that a democracy could function successfully and that freedom of speech and the press does not endanger the existence of a government. He followed Washington in not accepting a third term, thus helping to establish an important American custom.

Jefferson would not permit the country, while he was President, to embroil itself in any war. Above all, he taught the American people to trust in common sense and in reason.

In all his dealings with his fellow men he was frank and unassuming. He was a loyal friend and a magnanimous opponent. His lifelong fight was against false principles, never against persons. He was a great theorist, but a theorist who kept his feet on the ground. He was the most practical of idealists.

Volumes could be written on Jefferson the scholar, the civil engineer, the lawyer, the agriculturist, the architect, the inventor, the author, the philosopher, the statesman, the diplomat, the President, the nation-builder.

But if Jefferson himself could choose the subject of one biography of himself it is certain that the title of the book would be "Jefferson the Democrat," the word "democrat," of course, used in its widest connection.

Jefferson's general attainments were high. His knowledge of men was noteworthy and he was peculiarly fortunate in having such disciples as Madison and Monroe. Jefferson preferred never to speak of his achievements, and when he was obliged to mention his own work he did so with the utmost modesty.

He was indeed a great man who took everything, good and evil alike, in his stride.

A roll call of Jefferson's accomplishments and the broad principles he fought for sounds very much like the life work of a dozen statesmen.

"Jeffersonian democracy" is not a mere political catchword. It is a glowing ideal that should animate us, regardless of party today, even in the face of triumphs by those who have abandoned his principles, who still manifest distrust in the people's right and ability to govern their own affairs. As against the theory that people were created for the Government, which is at the root of many of our evils today, he proclaimed the principle that the Government was established for the people. Liberty to him was not a privilege—it was a right—and government a mere responsibility delegated by the people. The first and only consideration was how much government was necessary to achieve human happiness and freedom—freedom in government, freedom in education, freedom in worship.

It is time to reexamine our Government in the light of these flashes of inspiration enjoyed by our great leader. It is time for us to make a pilgrimage, if only in fancy, to the grave of Thomas Jefferson and draw renewed faith in the people from the following epitaph which he wrote himself:

Here was buried Thomas Jefferson, author of the Declaration of American Independence, of the statute of Virginia for religious freedom, and father of the University of Virginia.

On a beautiful site adjoining the Tidal Basin, in the city of Washington, D. C., the Jefferson Memorial Commission proposes to erect a fitting memorial to properly honor the great Jefferson.

This site has been approved by the Fine Arts Commission and the National Capital Park and Planning Commission. The plans are by the famous architect, John Russell Pope. Application has been made to Congress for funds to commence this work.

It will then be possible for a visitor to Washington to view the magnificent Jefferson Memorial, then proceed southward over a hard macadam road to Jefferson's home at Monticello, Va. His home was purchased in 1922 by the Thomas Jefferson Memorial Foundation in New York, of which the Honorable Stewart G. Gibbons is chairman.

The buildings have been restored to their original lines by the Foundation under the direction of Dr. Fisk-Kimball, of Philadelphia.

A day thus spent will revive patriotic memories in the hearts of all who visit it.

EXTENSION OF REMARKS

Mr. THOMASON of Texas. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD and to include therein an address by Mr. R. E. Sherman, former mayor of El Paso, Tex., at the Jefferson Day dinner in Phoenix, Ariz., on April 13.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BLOOM. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD by inserting an address by George E. Sokolsky on the subject of How Long Will We Have Religious Liberty?

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. SHANLEY asked and was given permission to revise and extend his own remarks in the RECORD.

Mr. O'CONNELL of Montana. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a radio address made by me last evening.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. COFFEE of Washington. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an address by Howard Costigan.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. KING. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an address delivered by me.

The SPEAKER. Is there objection to the request of the Delegate from Hawaii?

There was no objection.

Mr. SHAFER of Michigan. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a letter written to me by Secretary Woodring.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOPE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein two editorials from the Country Gentleman.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. GIFFORD. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to extend my own remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. GIFFORD. Mr. Speaker, it is impossible to get any time this afternoon during the consideration of the bill now pending.

However, I have painstakingly gathered many opinions relative to the spending process suggested, and I wish to revise my own remarks relating to what one writer has called "The dance of the billions—sweet music to the spenders, but a dirge to the taxpayers." I trust the following remarks under privilege to revise are timely.

Interesting, indeed, to read the comments and learn the views of the people regarding the decision of the administration to resume the discredited pump-priming process on the huge scale presented to Congress. Further borrowing of the funds and savings of the people again to be lavished upon nonprofitable, nonliquidating, extravagant, and wasteful projects, the inactive gold purchased with borrowed funds at interest, and regarded as hot money because it is subject to withdrawal by foreign countries, is now to be converted into greenbacks to run the Government, assuring our people that

this process will not greatly increase our indebtedness—that is, to increase spending of four billions, it is only necessary to borrow one billion. Those beyond the primer class in finance will fail to see much difference if we spend our assets and recoverables. It is suggested that the process is similar to spending the savings in the baby's bank. This spending process is terrifying to thoughtful people. This is but a repetition of the process which brought us straight into this great Roosevelt depression. Can this be the only answer of the miracle men in Washington?

After months of inaction and wishful waiting for business up-turn, what a barrage of spending Government money is to be fired in one volley! A message to the Congress of staggering amounts demanded. A fireside chat follows with the admonition that "there is placed on all of us the duty of self-restraint by articulate public opinion." Opposition to this program is most articulate, and it is generally condemned by public opinion. He asks for a common effort and a common faith in each other. Who is it that has constantly, during the past 5 years, expressed lack of faith in those who manage affairs of business and finance? He would not let the people down. The question is sharply asked, "Will he let the people up?" Under the vast powers granted him over business and finance, certainly it is he that has been holding them down. More gifts and loans to States and municipalities. Their own borrowing capacity has been largely used up and cannot even furnish the 10 percent generally required. As in the past, will many not resist repayment? Although States might share proportionally in the largesses, certain States, through the years of repayment, would pay many times their share. Indeed, these latter States are far outnumbered by those which would repay but little. Since the sixteenth amendment to the Constitution the backward States have learned that it is only votes that are needed, and, because they are in the majority, vote themselves vast improvements at the expense of the more thrifty. I repeat, how comforting to the Nation to be told that we need not go further into debt, but will dissipate our assets. Will this serve to allay the great fear in the hearts of our people? Can it be possible that our President has again yielded to those whose advice has brought us to our present predicament? True, brave words of Eleanor Patterson, "It is fear, Mr. President, and it is fear of you." The swift recessions in business after every temporary up-turn during the past 5 years have furnished ample proof of her assertion. Emanations of encouragement or displeasure from the White House have immediately been followed by favorable or unfavorable results. Declaration from that source that copper and other basic materials were too high immediately caused prices to fall on the market. Self-restraint in articulate damnations of our Nation's leaders in finance and business has not been practiced by the President. Ugly phrases—a long list—coined by him are now historic and of record, and well may we doubt any real change of heart in spite of recent fireside conciliatory declarations.

Many of us may recall a former schoolmaster who might apologize after administering harsh punishment, but we knew full well that he would do the same again when he was sufficiently irritated. The proposal to administer this same medicine as in 1933, 1934, and 1935, after full knowledge of its utter failure to bring any permanent recovery, should be disheartening, disappointing and, I repeat, terrifying to even his faithful followers. To spend our gold and recoverables as fast as they are realized upon in view of the more than \$7,000,000,000 of foreign deposits and investments in this country causes us to recall the President's own worry, expressed about a year ago, concerning the grave danger of hot money and sudden withdrawals. The question is pointedly asked, "Does the issuance of gold certificates by the Treasury to the Federal Reserve banks in return for money or credit really mean that if and when actual gold is released the Federal Reserve banks and member banks will be entitled to it?" From our past experience with this administration, we may well believe that the Treasury can issue any so-called

lawful printed money and demand that the banks should accept such money for these highly prized gold certificates. Let us be reminded that the Federal Reserve System already holds these gold certificates to the amount of some \$8,000,000,000 against our supply of a total of twelve billion in gold. Those who have a realization of what inflation means have reason to doubt the 40-percent value back of the notes issued, if canceled by forced acceptance of any printed money.

However, this Government of ours has maneuvered itself into such a hodge-podge of money manipulation that no economist seems able to advise the duly accredited committees of the Congress with any assurance of the effects to be anticipated. The Federal Reserve Board must subordinate its own opinions, acts, and decisions to harmonize with the needs of the Treasury in its huge borrowings and loan renewals, with about one-half the Treasury borrowings on a short-time basis. Business investment must not, and cannot, be allowed to become as attractive as a United States bond or certificate of indebtedness. All informed persons fully understand that as soon as business and investment offer more attractive rates of interest, United States securities will be placed upon the market in dangerous quantities. Can financiers be blamed for the lurking suspicion that many measures have been deliberately planned and thought necessary to accomplish the present condition? However, the maze of doubt and uncertainty and lack of understanding of these problems have left us in a hazy, helpless state of inaction, and we are forced to drift toward the rocks we all know are not too far ahead. We seem not to have the courage to retrace our course to the safer harbor.

Constant reiteration of the President's words to us on March 10, 1933, may startle us from our insensibility and remind him of his emphatic description of the only safe road to follow. I quote:

"For 3 long years the Federal Government has been on the road toward bankruptcy." He then recounted the Hoover deficits, totaling the combined red figures of 1931, 1932, and the fiscal year estimated until June 30, 1933, and said:

"Thus we shall have piled up an accumulated deficit of \$5,000,000,000."

In his first and second administrations, Mr. Roosevelt now has piled up nearly \$17,000,000,000 of deficits. His words on March 10, 1933, were:

"With the utmost seriousness, I point out to the Congress the profound effect of this fact (the \$5,000,000,000 deficits) on our national economy. It has contributed to the recent collapse of our banking structure. It has accentuated the stagnation of the economic life of our people. It has added to the ranks of the unemployed. Our Government's house is not in order and for many reasons no effective action has been taken to restore it to order."

"Upon the unimpaired credit of the United States Government rests the safety of deposits, the security of insurance policies, the activity of industrial enterprises, the value of agricultural products, and the availability of employment."

"The credit of the United States Government definitely affects these fundamental human values. It, therefore, becomes our first concern to make secure the foundation. National recovery depends upon it."

"Too often in recent history liberal governments have been wrecked on the rocks of loose fiscal policy. We must avoid this danger."

In the words of David Lawrence—

Patriotic citizens will agree with the resolute and heroic Roosevelt of 1933 and not with the political-minded Roosevelt of 1938, who has just ordered more pump priming even after the first experiment proved a ghastly failure.

And also by the same writer:

To know that at any moment, if you do not toe the mark, Mr. Roosevelt will send word to your State or district and encourage some local candidate to enter the race against you, letting you know that the White House and the Federal officeholders will be behind that candidate, is enough to line up certain wavering votes in Congress.

Have we arrived to a condition of bankrupt statesmanship? Is the present philosophy of government a philosophy of despair? We have tried managed money; we have not been able to manage the money users! Large sums for pump priming have found their way to the hoarders and Government bond purchasers and generate no business.

There appears but little printed support of this pump-priming process. It would seem to be almost a unanimous protest against it. A reasonable amount for relief, if wisely spent, is not challenged; but against expenditures for certain types of made work, where not over 25 cents of the dollar actually is received by the reliefer, strong protests should certainly be made. The Congress should specify in no uncertain terms the conditions under which relief money is to be spent.

Personal letters written to me contain such comments as follows:

Oppose his spending ideas and other crazy schemes that pop out of his mind at unexpected moments—schemes that are rapidly plunging this country into bankruptcy.

Cut expenses rather than taxing us all to financial death.

Congress is our only hope.

Do get busy and do something.

Pump priming of no avail unless shackles are taken off and persecution of business ceases.

Business would be aided by elimination of Government competition, curing of labor difficulties, cooperation instead of persecution by Government.

Confusion, inefficiency, waste, ineffectiveness are charged in this political orgy of spending. The country is against it. Are politicians—as we are called—the only ones besides the direct beneficiaries in favor of it?

To return to the safe road would not be difficult. It lacks only the determination and courage of those in power to acknowledge failure of present policies and return to the more simple fundamentals.

EXTENSION OF REMARKS

Mr. CELLER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein two statements of mine.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

RELIEF OF JOSEPHINE FONTANA

Mr. KENNEDY of Maryland. Mr. Speaker, I ask unanimous consent for the immediate consideration of Senate Concurrent Resolution No. 30, which has to do with the bill (H. R. 5793) for the relief of Josephine Fontana.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The Clerk read the concurrent resolution, as follows:

Concurrent Resolution 30

Resolved by the Senate (the House of Representatives concurring), That the action of the Speaker of the House of Representatives and the President of the Senate in signing the enrolled bill (H. R. 5793) for the relief of Josephine Fontana be, and it is hereby, rescinded, and the Clerk of the House be, and he is hereby, authorized and directed to reenroll the bill with the following amendments, viz: On page 1, lines 6, 7, and 8 of the engrossed bill, strike out "Josephine Fontana, of West Springfield, Mass., the sum of \$600 in full satisfaction of her claim" and in lieu thereof insert the following: "Nathaniel M. Harvey, as administrator of the estate of Josephine Fontana, late of West Springfield, Mass., the sum of \$600, in full satisfaction of the claim of the said Josephine Fontana"; and amend the title so as to read: "An act for the relief of Nathaniel M. Harvey, as administrator of the estate of Josephine Fontana, deceased."

The Senate concurrent resolution was agreed to.

EXTENSION OF REMARKS

Mr. BETTER asked and was given permission to extend his own remarks in the RECORD.

PERMISSION TO ADDRESS THE HOUSE

Mr. MEAD. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to extend my own remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MEAD. Mr. Speaker, our distinguished colleague the gentleman from Ohio [Mr. CROSSLER] recently introduced a bill creating a national system of unemployment insurance for employees engaged on our transportation systems. This is a very necessary and essential piece of legislation, and should be agreed to without delay in order to prevent State systems from coming into being. These State systems would prove costly and burdensome; they would be difficult to administer; and in the interest of clarity and orderly procedure, as well as economy and efficiency of operation, a national system should supplant them. I trust the bill will receive prompt consideration by the Committee on Interstate and Foreign Commerce and that it will pass the Congress at this session.

I. GENERAL CONTENT

The bill creates a national pooled-fund system of unemployment insurance for railroad workers. To that end Congress asserts its constitutional jurisdiction over this type of interstate employment, and, as of July 1, 1939, requires the States to cease covering this employment under their unemployment compensation laws and excludes it from coverage under title IX of the Social Security Act. In line with the growing recognition of the necessity for simplification of the social-security program, it is provided that both old-age and unemployment insurance for railroad workers will be wholly administered by a single Federal agency, on the basis of a single set of reports, from exactly the same employers, paying what is in effect a single tax, because the contributions under this bill are levied on exactly the same base as the taxes levied by the Carriers' Taxing Act.

II. SUMMARY OF MAIN PROVISIONS

First. Coverage: Identical with that of Railroad Retirement Act of 1937, namely, interstate railroads, certain of their operating subsidiaries, sleeping-car and express companies, traffic and similar associations maintained by the railroads, and railroad labor organizations.

Second. Contributions: After July 1, 1939, covered employers will pay 3 percent of wages payable, excluding any amount in excess of \$300 per month payable to any employee. The rate is the same as the combined rate under a typical State unemployment compensation law and title IX. The wage exclusion is the same as that in the Carriers' Taxing Act.

Third. Railroad unemployment insurance account: Ninety percent of the contributions will be deposited in the railroad unemployment insurance account, to be maintained, like the State unemployment compensation accounts, by the Secretary of the Treasury in the unemployment trust fund established by section 904 of the Social Security Act.

Provision is also made for the transfer to the railroad unemployment insurance account from State unemployment compensation accounts of the balance of the amounts paid to them by the employers covered by this bill.

The railroad unemployment insurance account can be used solely for the payment of benefits.

Fourth. Railroad unemployment insurance administration fund: Ten percent of the contributions, together with any additional appropriations which Congress may make will be maintained in the Treasury as the railroad unemployment insurance administration fund, to be used solely for the payment of administrative costs.

If this fund has excessive balances after 1946, such part thereof as the Railroad Retirement Board deems proper may be transferred to the railroad unemployment insurance account.

Fifth. Qualifications for benefits: An employee of a covered employer will be qualified to receive benefits—

(a) Prior employment: If within the appropriate preceding calendar year he had earned \$150 or more from covered employment.

(b) Waiting period: If within 6 months preceding the beginning of any benefit year he had had 15 consecutive days of unemployment or 2 half months in each of which there were 8 days of unemployment, for which benefits were not paid.

Sixth. Disqualifications: An employee will be disqualified for benefits for defined periods of 15, 30, 45, and 75 days for such reasons as unavailability for suitable work, refusal to accept suitable work, voluntarily quitting without good cause, discharge for misconduct, and the making of fraudulent claims for benefits.

An employee will also be disqualified for benefits, while on a strike in violation of the Railway Labor Act or of the rules of his labor organization; while in receipt of an annuity or pension under the Railroad Retirement Act, or old-age insurance under title II of the Social Security Act, or unemployment benefits under any State unemployment-compensation law; and during any month—or half month—during which he performs 50 percent—25 percent—of the maximum employment allowable to him under a contract of employment providing for the determination of his compensation, wholly or partially, on a mileage basis.

Seventh. Benefits: Benefits will be paid for each day of total unemployment in excess of seven during any period of 15 days, in an amount ranging from \$1.75 to \$3, according to the employee's total earnings from covered employment in a preceding calendar year. The maximum total amount of benefits payable to any employee during a period of 12 months will be 80 times his so-called daily benefit amount.

Benefits are paid on a daily basis for administrative convenience. They are paid for days of unemployment in excess of seven in order not to pay benefits to a worker who has earned about 50 percent of his normal semimonthly wage.

Translated into more customary terms, the rates range from \$14 to \$24 per half month of total employment; the maximum duration is a flat 5 months.

The benefit schedule is reproduced below:

Total compensation in base year	Daily benefit amount	Maximum amount of benefits payable in any benefit year
\$150 to \$199.99	\$1.75	\$140
\$200 to \$249.99	2.00	160
\$250 to \$299.99	2.25	180
\$300 to \$349.99	2.50	200
\$350 to \$399.99	2.75	220
\$400 and over	3.00	240

Eighth. Administration—(a) General: The plan is to be administered by the Railroad Retirement Board, which is given the necessary powers, among which is that of appointing, subject to civil-service rules and regulations, a director of unemployment insurance at a salary of \$10,000 per year.

The Board is authorized to establish special employment offices for railroad workers and to enter into arrangements with employers, labor organizations, State unemployment compensation and employment service agencies, and others to assist in its work, particularly that of registering the unemployed for work and receiving claims for benefits, and to pay for such services.

(b) Claims for benefits: Fully authorized employees of the Board make the first determination on any claim for benefits. From this determination a worker may appeal to a district board, consisting of one representative each of the Board, of employees and of employers. The Board may review the decisions of the district boards, or permit a worker to appeal such a decision to the Board itself.

After all administrative remedies within the Board have been exhausted, any claim may be appealed to the Federal courts.

(c) Reciprocal arrangements with other unemployment-compensation agencies: With respect to workers who have been employed both by railroad and nonrailroad employers, the Board is authorized to enter into arrangements by which (a) if a State agency pays benefits to such workers, in part on the basis of their railroad employment, the Board will equitably reimburse the State agency or (b) if the Board pays benefits to such workers, in part on the basis of their

nonrailroad employment, the State agency will equitably reimburse the Board.

(d) Advisory councils: The Board may appoint, without compensation, national or local advisory councils of representatives of employers, employees, and the public to discuss problems in connection with the administration of the plan and to help in the formulation of policies.

Ninth. Social Security Act and Social Security Board—(a) Title III: Section 303 is amended by providing that the Social Security Board shall make no certification for payment of an administrative grant to any State unemployment compensation agency if it finds that the agency (1) does not make its records available to the Railroad Retirement Board, or (2) does not afford reasonable cooperation to every Federal agency administering an unemployment-insurance law.

(b) Title IX: Sections 904 (a) and 904 (e) are amended to provide for the railroad unemployment-insurance account in the unemployment trust fund. Section 907 (c) is amended to exempt employment covered by this bill from the title IX tax.

(c) Transfer from State funds: The Social Security Board is directed to determine, by agreement with the Railroad Retirement Board and after consultation with each State, a rough approximation of the balance of the amounts collected by each State unemployment-compensation fund prior to November 1, 1939, from employers covered by this bill. Unless a State shall direct the Secretary of the Treasury to transfer this balance to the railroad unemployment-insurance account, the Social Security Board shall deduct this amount from its administrative grants to the State, until the total balance has been so deducted, and certify such amount for deposit in the railroad unemployment-insurance account. Notwithstanding the present restrictions in sections 303 (a) (5) and 903 (a) (4) of the Social Security Act, the State may then withdraw from the unemployment trust fund the amounts which the Social Security Board finds to be necessary for proper administration of its unemployment-compensation law.

Tenth. District of Columbia Unemployment Compensation Act: The District of Columbia Unemployment Compensation Act is amended, effective July 1, 1939, to exclude employment as defined in this bill from coverage both for contribution and benefit purposes and to direct the Secretary of the Treasury to make the transfer of the amount required to be transferred to the railroad unemployment insurance account.

Eleventh. Transitional provisions: These provide that if a worker has started a benefit year under a State law between July 1, 1938, and June 30, 1939, he shall be eligible during the balance of such year to receive benefits under this bill.

(a) If qualified as of July 1, 1939: At the rate to which he is entitled under this bill, until he has drawn, including the amounts already received under the State law, the maximum payable to him under this bill.

(b) If not qualified as of July 1, 1939, but solely because of the passage of this bill, is ineligible to continue to receive benefits under the State law: At the minimum rate herein provided until he has drawn the balance of the benefits which he would otherwise have been entitled to under the State law.

WAR DEPARTMENT CIVIL FUNCTIONS APPROPRIATION BILL, 1939

Mr. SNYDER of Pennsylvania. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 10291) making appropriations for the fiscal year ending June 30, 1939, for civil functions administered by the War Department, and for other purposes. Pending that, Mr. Speaker, may I say that we had an understanding the other day we would continue general debate until 2 o'clock today.

Mr. POWERS. That is correct.

Mr. SNYDER of Pennsylvania. We did not assume this much time was going to be taken up by other matters, so I suggest, in view of that fact, that general debate run until

2:40, which will give within 10 minutes of 2 hours for general debate. This is in keeping with the spirit of the agreement made the other day.

Mr. POWERS. Reserving the right to object, Mr. Speaker, we have requests on this side for approximately an hour and thirty-five minutes of time.

Mr. SNYDER of Pennsylvania. Then I will make it the full 2 hours of general debate.

Mr. POWERS. That is very satisfactory.

Mr. RAYBURN. Reserving the right to object, Mr. Speaker, we agreed the other day that we would close general debate at 2 o'clock, and no time for general debate was agreed upon. We debated this bill for 4 hours.

Mr. TABER. We did not understand an hour was going to be consumed on other matters.

Mr. RAYBURN. We want to pass this bill and another one this afternoon, if possible.

Mr. SNELL. Mr. Speaker, will the gentleman yield for a question?

Mr. RAYBURN. I yield to the gentleman from New York.

Mr. SNELL. As I understand, as far as the bill itself is concerned, its consideration will not take very long.

Mr. RAYBURN. Very often we hear that, and the opposite is true.

Mr. SNELL. I know that.

Mr. SNYDER of Pennsylvania. I do not believe there is any controversy over the time.

Mr. SNELL. When the original agreement was made it was not expected we would run until 1 o'clock on something else.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania [Mr. SNYDER] that general debate on the bill be limited to 2 hours, the time to be equally divided and controlled by the gentleman from New Jersey [Mr. POWERS] and himself?

There was no objection.

The SPEAKER. The question is on the motion of the gentleman from Pennsylvania.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 10291, with Mr. DOXEY in the chair.

The Clerk read the title of the bill.

Mr. SNYDER of Pennsylvania. Mr. Chairman, by direction of the Committee on Appropriations, I reported to the House on yesterday the second installment of the War Department budget. It will be recalled that nonmilitary appropriations were divorced from appropriations for the Military Establishment last year; so this is the second separate measure for handling those appropriations of the War Department which do not properly constitute a charge to national defense. I desire to speak briefly about some of its provisions.

As to its Engineer Corps phases, this measure reaches practically into every nook and corner of the country; and I might say we hear from most of them in one way or another during our subcommittee labors.

Aside from rivers and harbors and flood-control works, the bill carries appropriations for the establishment, support, and maintenance of burial places of our soldier dead; for the Army's radio communication system in and with the Territory of Alaska; for all expenses attaching to the office of our High Commissioner in the Philippine Islands; for running the Soldiers' Home here in Washington; and for the maintenance and operation of the Panama Canal and the Canal Zone.

As to such propositions, there is little in the bill about which I feel there is warrant for special or extended comment. Collectively, the bill makes available for them \$12,812,925, which includes a reappropriation of \$25,000. That amount is \$106,838 less than the sum of current appropriations and \$381,162 less than Budget recommendations.

As to cemetery expenses, we have deducted \$329,692 on account of a proposed new cemetery in the vicinity of San Francisco. The authorization act countenances an expenditure of \$200,000 for the purchase of land for that additional cemetery and the Budget looks to the payment of as much as that amount for land, but we found that it was planned to buy but something like 165 acres and to pay therefor something like \$1,200 per acre. That struck us as a bit too high. It is our thought that a further canvass should be made, possibly going somewhat farther away from the city limits.

For the Alaska communication system, aside from an increase occasioned by the transfer of the expense of travel to this bill from the military bill, there is but one other addition of consequence, namely, \$7,250 for providing additional facilities to cope with the increasing load and to handle traffic more expeditiously. The system turned into the Treasury last year \$366,780.

For running the office of the United States High Commissioner to the Philippines we met with an increase of \$28,200, which is broken down for you on page 4 of the report. You will see there that the principal item is rent. This year \$18,600 is available for rent. For next year we are asked to provide \$33,000, and we also are asked to make an additional \$2,100 available for the present fiscal year.

The \$33,000 divides—\$18,000 for offices and \$15,000 for quarters—as opposed to the set-up this year of \$12,000 for offices and \$6,600 for quarters, to which latter amount \$2,100 will need to be added.

These rent items it should be understood will disappear as soon as our own building for offices and quarters in Manila, for which an appropriation has been made, has been erected. Construction is still in the blue print stage, but should be commenced in the very near future.

As to office space, the High Commissioner stated to us that expansion is imperative in the interest of efficiency and for the health of his staff. That is a tropical climate and the offices are not air-conditioned and he has as many as seven employees in a single small room. For increasing the present space about a third of its present size will require an additional \$6,000.

As to quarters, it seems that the owner of the residence now occupied has returned to Manila after an extended absence and wants his property back. He has been renting it to the High Commissioner at the rate of \$6,600 per annum, which just about pays the taxes. We are advised that the only other immediately available property at all suitable rents at the rate of \$15,000 per annum, and that property, I understand, has been rented, subject to an appropriation being made, effective the 1st of this month.

I call your attention to another matter touching this office. Commissioner McNutt appeared before the Subcommittee in person and was very much disturbed because the Budget had turned a deaf ear to his recommendations touching personnel, both in the way of extra help and advances in pay. His rejected recommendations called for a total of \$18,760. The committee went over each proposition with him and concluded later to approve of the items shown on page 5 of the report, amounting to \$5,530. In that itemization you will see two American caretakers. At the present time two guards are appropriated for at \$900 each. The incumbents are Filipinos. Mr. McNutt asked us to allow the two caretakers, and four guards at \$1,200 each, all to be Americans. I think you will agree that he makes a very good case for all of them in his statement on page 46 of the hearings, but the subcommittee concluded to recommend as you see there on page 5 of the report.

I now yield to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. Referring to this increase of rent for Mr. McNutt from \$6,000 to \$15,000, it seems to me that is an awful high price to pay for rent for the space required in the Philippines.

Mr. SNYDER of Pennsylvania. I may state to my friend from Pennsylvania that the committee thought the same way, but inasmuch as the man who owned this place unexpectedly came back and demanded it because he wanted to live in his own home, they had to get quarters elsewhere, and these were the only available quarters that were at all suitable. So the committee, after hearing much that is not on the record, I may say to my friend from Pennsylvania, decided that this was the only thing we could do.

Mr. RICH. I was just thinking, perhaps, because Mr. McNutt came over here and spent \$3,000 for one party, maybe he is getting high-hat and thought he required a new and greater palace to live in on going back to the Philippines.

Mr. SNYDER of Pennsylvania. Mr. McNutt is leaving the Philippines for good the 1st of October and he stated it did not make any personal difference to him whether we allowed this or not, because he would not enjoy it, inasmuch as he would not be over there. I might also make this statement. You can readily see, with all the turmoil in the countries right around the Philippine Islands, that more guards and caretakers are required than would be the case under normal social conditions in other countries.

Mr. Chairman, it will be seen that the Soldiers' Home appropriation is slightly reduced. As a matter of fact, there are a number of minor increases which are offset by expected lighter demands for hospitalizing members elsewhere than at the home. The principal increase, an item of \$13,500, is for rehabilitating and extending the chicken-farm plant.

For the Panama Canal and Canal Zone the appropriation proposed is \$323,635 less than the current year total, and \$57,000 under the Budget estimate. The Budget reduction is contributed to for the most part by a lessened outlay, as it nears completion, upon the new dredging division station at Gamboa. The reduced amount for that project, in conjunction with planned smaller outlays upon other improvements and betterments, compensate for the quadrennial expense, occurring in 1939, of overhauling the Atlantic locks and leave a substantial margin besides.

I shall turn now to the Engineer Corps, and first direct your attention to the summation at the bottom of page 5 of the report, pertaining to rivers and harbors.

There you will see that we are going along with the Budget as to maintenance. The increase over the current year is \$322,101, and that, obviously, is not a great deal considering the projects that have been brought to a maintenance status within the past few years.

For new work, the Budget sent in an estimate of \$32,800,000 to apply on presently authorized projects, some in a going status and others—many others—remaining to be initiated, which will cost to complete \$209,113,000. Eighteen million dollars of the Budget estimate is earmarked right off as indicated on page 9 of the report. It just is not good business nor good engineering practice to dally along with projects once undertaken, nor would it seem conformable with intent, after laws are enacted authorizing meritorious projects, to treat as inconsequential the time of their initiation, and delay their commencement indefinitely. Here we have, as I have stated, \$209,000,000 worth of projects ready to be proceeded with; there is another authorized group, some temporarily and others permanently in a shelved status, which have a total authorized cost of \$47,000,000 plus, and, I understand, another authorization bill is now in the making, and yet we meet with an estimate of \$32,800,000, largely earmarked as I have indicated.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. SNYDER of Pennsylvania. Yes.

Mr. KNUTSON. How does the amount you are recommending compare with the Budget estimate?

Mr. SNYDER of Pennsylvania. We are proposing here \$94,300,000 all told for rivers and harbors. Of that amount \$56,800,000 is for new work.

Mr. KNUTSON. How does that compare with what the Budget recommended?

Mr. SNYDER of Pennsylvania. The Budget recommended \$32,800,000 for new work.

Mr. Chairman, we felt that something more ought to be done than it would be possible to do under the Budget estimate. I might say we were not alone in that view, for we were besieged at every turn to make more generous provision than did the Budget.

Our solution is to make available possibly as much as \$24,000,000 more than the Budget estimate by way of a reappropriation. The bill last year, it will be recalled, specifically set aside \$52,000,000 of W. P. A. funds for flood-control uses. That amount has been separately warranted by the Treasury and cannot be used for any other purpose. We are advised that at least \$18,000,000 of the total will not be spent and that the unused part may reach \$24,000,000. Whatever the amount, not exceeding \$24,000,000, we are proposing its diversion to river and harbor uses, and, if our proposal be approved, the money will be employed as indicated in the second column of figures in the table commencing on page 6 of the report.

Now, flood control: First, may I call your attention to the table on page 10 of the report. For the present year, under the Copeland and Overton Acts, there is a total available of \$105,000,000. We are advised that it may not be possible to expend as much as \$24,000,000 of that amount. That is the W. P. A. money to which I referred a moment ago.

For 1939 the original Budget included a total of \$76,000,000, \$50,000,000 under the Copeland or General Act, and \$26,000,000 under the Overton Act relating to the Mississippi.

In his message the other day, which has been printed as House Document No. 594, the President recommended an appropriation of \$37,000,000 over and above the estimates for the immediate undertaking of presently authorized flood-control works. After consultation with the office of the Chief of Engineers, we have added \$32,000,000 of that amount to the original estimate of \$50,000,000 for general flood control, and \$5,000,000 to the original estimate of \$26,000,000 for flood-control work under the Overton Act.

Under the General Flood Control Act, the authorized projects have an authorized cost of \$344,000,000.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. SNYDER of Pennsylvania. Let me complete the flood control first. The current appropriation is the first specifically made toward the accomplishment of that work. There remains to be appropriated, subject, of course, to the amount of W. P. A. funds which are not expended, something in the neighborhood of \$300,000,000. The appropriation proposed is in the neighborhood of 27 percent of that amount, which certainly cannot be said to be a too rapid rate of progress considering the ever present possibility of recurring devastating floods in many sections of the country with the attendant loss of life and property.

I cannot indicate to you exactly how the appropriation will be allocated. In the first place the law gives the President exclusive say as to that. If you will turn to page 150 of the hearings you will see how the Chief of Engineers would employ the original Budget estimate, which came to us including \$1,000,000 for surveys. We are proposing to make \$6,000,000 available for surveys. That excess, however, will be charged to the amount we are adding to the original estimate. I should say, therefore, that the projects will follow rather closely those embraced on the table to which I have called attention, possibly with somewhat larger allocations to some projects, and, in addition, selected projects, which qualify as to local cooperation, from the list commencing on page 154 of the hearings.

The survey money will be available one-half to the Corps of Engineers and one-half to the Department of Agriculture, conformably with the authorization act.

Now, directing your attention to the Mississippi project, I call your attention to page 12 of the report. As there stated,

the existing authorization permits of a total expenditure of \$597,000,000. Roundly \$333,000,000 of that amount has been appropriated, including \$15,000,000 the present fiscal year by way of allotment of emergency relief funds, of which it appears that not more than \$2,000,000 will be obligated. This bill provides for the reappropriation of that unused money to river and harbor uses. Therefore, actually there remains to be appropriated roundly \$277,000,000. However, that figure may be very substantially reduced in consequence of a restudy under way of the so-called Eudora floodway project. A sum in excess of \$100,000,000 would be needed to accomplish the Eudora project.

The additional amount of \$5,000,000 we are proposing, I understand, would be employed in augmentation of the amounts shown in the break-down of the original estimate on page 12 of the report. The total sum of \$31,000,000 recommended for appropriation exceeds by about \$3,000,000 the total average annual expenditure since the fiscal year 1928, and is about the equivalent of the amount that will be expended or obligated of the \$45,000,000 made available the present fiscal year.

In conclusion, Mr. Chairman, I wish to point out that there is something more than \$830,000,000 worth of authorized river and harbor and flood-control projects awaiting the provision of funds for their prosecution. It seems to me that we should weigh with exceeding care any new additions to that total. I address that observation particularly to those of you who have projects which have not even been started or which are not going forward as rapidly as they undoubtedly should.

Mr. LEWIS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. SNYDER of Pennsylvania. I yield.

Mr. LEWIS of Colorado. The gentleman referred to the President's message of April 14, 1938. That message contained a statement, I quote, as follows:

I recommend an appropriation of \$37,000,000 over and above estimates for the immediate undertaking of flood-control and reclamation works to be expended on projects already authorized by this or former Congresses.

The gentleman referred to only that portion of the message which concerns flood control. Do I correctly understand the gentleman that he is taking the words of the President as meaning that \$32,000,000 shall be used for flood control and nothing for reclamation?

Mr. SNYDER of Pennsylvania. Yes.

Mr. LEWIS of Colorado. That certainly was not the understanding of the Members of Congress from the irrigated-land States. I should like to ask the gentleman if he does not believe that reclamation is a distinct part of the recommendation of the President in his message? I am not criticizing the gentleman, except I disagree with his interpretation of the President's message.

Mr. SNYDER of Pennsylvania. We interpreted it as being for flood-control projects.

Mr. LEWIS of Colorado. But it says flood control and reclamation.

Mr. SNYDER of Pennsylvania. There is a certain element of reclamation in flood-control work.

Mr. LEWIS of Colorado. We from the irrigated-land States certainly do not wish to acquiesce in any idea that reclamation is to be left out.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. SNYDER of Pennsylvania. I yield.

Mr. CASE of South Dakota. Some of these flood control reservoir projects are combined flood control and reclamation. Would the gentleman think that it might be expected that this \$32,000,000 out of the \$37,000,000 would be used for that type of flood control, and being so used is also valuable for reclamation?

Mr. SNYDER of Pennsylvania. It would be possible, under the law, for the President to make allocations to projects of that character.

Mr. THOMPSON of Illinois. Will the gentleman yield?

Mr. SNYDER of Pennsylvania. I yield to the gentleman from Illinois.

Mr. THOMPSON of Illinois. This appropriation covers the civil functions of the War Department. May I ask the chairman of the Subcommittee on Appropriations why we do not make appropriations for the operation of the Inland Waterways Corporation? That is administered by the War Department and it takes in and spends a tremendous amount of money each year. It seems to me that Congress, through its Appropriations Committee, should exercise control over these expenditures, as we do all other agencies of the United States.

Mr. SNYDER of Pennsylvania. The Corporation is operating out of its revenues.

Mr. THOMPSON of Illinois. The Inland Waterways Corporation does a very large business, running into the millions each year. It seems to me as if they take in the money and then buy boats and equipment and operate its lines just as it sees fit, without any responsibility to the elected representatives of the people. The United States owns that Corporation just as it owns other federally controlled corporations who come to Congress for authority to spend public funds. We appropriate for the Panama Canal, which takes in receipts and covers the money into the Treasury of the United States. We do not do that, however, for this important agency of the Government that operates the barge lines in the Middle West.

Mr. SNYDER of Pennsylvania. If they needed additional capital, they would come to our committee. I may say to the gentleman that last year, if I recall correctly, we did call the head of the Corporation before our committee, although we had no request for funds before us.

Mr. THOMPSON of Illinois. General Ashburn, I think, is still the general manager.

Mr. SNYDER of Pennsylvania. We called him before our committee and had him put in the record all of the details relating to the operation, procedure, and finances of that Corporation and, as a result, reduced his capital account.

Mr. THOMPSON of Illinois. I can very well appreciate the gentleman's position, if he will yield further, but I take the definite attitude that here is an agency that is spending the people's money. We appropriate for the Army and Navy to buy new battleships, airplanes, and everything else. Now why should we not do that for this particular agency? If it wants to buy a towboat or barges, why should not the Congress tell them in simple appropriation language that so much money shall be spent for this purpose or some other purpose?

Mr. SNYDER of Pennsylvania. That would require a change in the basic law.

Mr. THOMPSON of Illinois. May I say with all due respect that I am not condemning the gentleman's work or the work of his committee. However, I believe it is a field in which the Congress should exert itself and explore into and I hope the gentleman and his committee will do so next year.

Mr. SNYDER of Pennsylvania. Mr. Chairman, I yield 25 minutes to the gentleman from North Carolina [Mr. DOUGHTON].

Mr. DOUGHTON. Mr. Chairman, I ask unanimous consent to revise and extend my own remarks in the RECORD and to insert certain tables and statistics bearing on the speech I am about to make.

The CHAIRMAN (Mr. Ford of Mississippi). Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. DOUGHTON. Mr. Chairman, the subject on which I wish to speak today is one which not so long ago had never been heard of by this House, much less by the Nation. In fact, it did not even have a name. Today, thanks to the efforts of our great President and of the Congress, it has become a reality to millions of people. I refer to social security.

Passed in 1935, effective in 1936, declared constitutional by the Supreme Court of the United States in 1937, the Social

Security Act is now, in 1938, in practical operation throughout the length and breadth of the land. What is more, within these brief 3 years it has come to be accepted as a matter of course throughout the country. This well-nigh universal acceptance is tremendously significant. It is an evidence of how desperately protection was needed—and is needed today—against Nation-wide hazards of want and destitution. It is a tribute to the vision and leadership of this administration. And it is a measure of the practical good sense and skill with which Congress and its advisers translated that vision into the workable, and working, terms of the present law.

Looking back, as I can, at every step of the way we have come, I am somewhat surprised to find that the first indexed reference to social security in the CONGRESSIONAL RECORD is dated no earlier than February 12, 1935. The fact that this recognition of social security by name occurred on the birthday of a great President, Abraham Lincoln, is a happy coincidence.

The rapidity with which the Social Security Act has been woven into the very fabric of American life is an incontrovertible test of its success. Yet it has a certain disadvantage; for what is taken for granted is seldom examined in detail, either by its critics or by its friends. And so we run the risk, on the one hand, of failing to appreciate fully all that we ourselves have actually accomplished, and, on the other, of expecting too soon a degree of perfection which can come only with time and experience.

It takes imagination, as well as statistics, to visualize the full import of this great law. It is one thing, for example, to know that over 38,000,000 workers are covered by the Federal old-age insurance program established under the act. But it is another thing to understand what this means to each of these working men and women and to their families, what it means to have now, for the first time, an opportunity of building up an old-age income through an individual's own work and industry, and with the full strength of the United States Government behind it.

It is one thing to know that every State in the Union has enacted an unemployment compensation law since the passage of the Federal act, and that 23 States are already paying benefits, nearly 9,000,000 checks having been issued since January 1 of this year. But it is another thing to understand what this means, not only to labor but also to business, now that wage earners have this backlog of insurance to help bridge the gap between jobs.

It is one thing to know that two and one-fourth million of our poor people—the old, the blind, and dependent little children—are receiving public assistance from combined Federal and State funds under the act. But it is another thing to understand what a regular cash allowance means to these people who cannot possibly support themselves. It means that those whom old age or loss of sight has robbed of a livelihood can be saved from the poorhouse. It means that children, who have been deprived of parental support by the death or incapacity of father, mother, or both, need not be separated from their families simply because the orphanage is their only refuge from hunger and want.

Finally, it is one thing to know that Federal cooperation has enabled every State in the Union to expand and strengthen its public-health, child-welfare, and vocational rehabilitation services. But it is quite another thing to understand, in terms of human lives, what such services can do and are doing to forestall dependency and disease and death.

No. You cannot tell me that the favored few, who have not seen insecurity face to face, have yet begun to understand all that the Social Security Act means. But the people know—the workers who are only now getting their first chance to save securely for old age; who can now face losing a job with at least something to count on that is theirs as a right and not a hand-out; the old folks for whom hand-to-mouth dependency has been replaced by a regular monthly check; the widowed mothers who can keep their children with them; the disabled workers who have be-

come self-supporting again through rehabilitation services; the crippled children who are receiving medical care—all these and their families can tell you and me what the new protections now available really mean.

I do not intend to imply that the Social Security Act is the only measure through which this administration has been, and is, combating insecurity. Through the Federal Emergency Relief Administration, the Civilian Conservation Corps, and the Works Progress Administration, through housing and resettlement and a host of other activities, we have been building toward social and economic security on a very broad front. Each of these programs has performed a function essential to this building process, and each has made its full contribution to the structure we have been and still are rearing.

But the Social Security Act is the keystone. It is the keystone because it is designed to meet problems which are with us in good years as in bad. It is the keystone because it represents our first continuing and constructive effort not only to provide for present needs but also to forestall future needs. And it is the keystone because it recognizes, for once and all, that the Federal Government of these United States, as well as the States themselves and their localities, must play a permanent part in any security program worthy of the name.

I have said that social security is new. It is true that in its present Nation-wide form the program has been in operation only 2 years. But neither its purposes nor its methods are new. Insecurity is as old as the human race, and the whole history of civilization might well be described as a progressive struggle to master it. Not to go too far back, in our own country the acceptance of public responsibility for the common welfare is older by at least two centuries than acceptance of such other prerogatives of democracy as public education and universal suffrage. As a matter of fact, the failure of our public-welfare provisions in the recent past was largely due to obsolescence. For while their insistence that each locality must be a law unto itself no doubt made sense when it was formulated in 1603, and even for a good part of the next two centuries, it had become sheer nonsense by 1933. Yet, regardless of how industry and invention had broken down old barriers, we tried to get along right up to that time with public-welfare practices that were hoary with age long before the United States came into existence.

A nation thus plays Rip Van Winkle at its own peril; and during the depression we paid the penalty in human lives and in colossal inroads upon public funds. With millions of people forced upon relief, with towns and counties and even States on the verge of bankruptcy, we were finally forced to admit that the common welfare is a national responsibility. The Federal Government accepted its share in that responsibility under the present administration; and in 1934, 18,000,000 men and women and children were being helped by Federal funds.

But we did not stop there. Those years of anguish had argued the case for placing Federal participation on a permanent footing. And in 1934, while Federal emergency measures were at their height, the President appointed his Committee on Economic Security to study the long-term problems of security. The profound significance of this proposal for a continuing national security program was fully understood by this Committee and by Congress. The Committee devoted more than a half a year to the development of its recommendations. Transmitted to Congress by the President, these received months of thoughtful and painstaking consideration. The public hearings before the Ways and Means Committee alone took 3 weeks, and their record fills a volume of over 1,000 pages. Following these and similar hearings before the Finance Committee of the Senate, many weeks were devoted to further examination in committee and on the floor of both Houses of Congress.

The Social Security Act, as it emerged from this prolonged period of study, offered, we then believed, a practical framework within which the Federal Government, the States and

their localities could join forces for immediate and far-reaching action. That faith has now been confirmed by facts.

I have before me tables showing current operations under the Social Security Act, which I shall not have time to present in detail.

TABLE 1.—Cumulative total of applications for social-security account numbers at close of business Mar. 31, 1938

Alabama	518,706
Arizona	133,639
Arkansas	254,178
California	2,419,997
Colorado	294,828
Connecticut	644,339
Delaware	85,992
Florida	539,842
Georgia	660,664
Idaho	120,693
Illinois	2,725,923
Indiana	1,030,929
Iowa	483,487
Kansas	388,641
Kentucky	557,877
Louisiana	496,386
Maine	256,311
Maryland	541,786
Massachusetts	1,632,952
Michigan	1,807,056
Minnesota	651,345
Mississippi	275,142
Missouri	1,020,197
Montana	139,013
Nebraska	255,827
Nevada	35,786
New Hampshire	165,505
New Jersey	1,414,793
New Mexico	88,425
New York	5,295,888
North Carolina	757,431
North Dakota	84,053
Ohio	2,284,968
Oklahoma	519,248
Oregon	315,341
Pennsylvania	3,340,036
Rhode Island	279,844
South Carolina	396,762
South Dakota	98,207
Tennessee	601,378
Texas	1,539,182
Utah	141,298
Vermont	89,664
Virginia	575,105
Washington	531,071
West Virginia	519,637
Wisconsin	788,217
Wyoming	60,918
District of Columbia	239,390
Alaska	16,491
Hawaii	123,489
Total	38,237,877

TABLE 2.—Lump-sum payments under Federal old-age insurance, as of Mar. 31, 1938

Place of origin	Claims certified in March	Total number of claims certified, January 1937-March 1938	Amount of payments in March	Total amounts of payments, January 1937-March 1938	Average payments in March
Total	21,858	114,927	\$836,867.87	\$3,425,234.44	\$38.29
Region I (total)	2,040	13,009	\$2,770.45	\$85,618.18	40.57
Connecticut	511	3,007	22,865.32	95,937.79	44.75
Maine	144	930	4,839.49	22,624.01	33.61
Massachusetts	1,008	6,628	42,047.36	202,521.54	41.71
New Hampshire	111	688	3,211.44	15,910.76	28.93
Rhode Island	209	1,356	7,894.96	38,570.08	37.77
Vermont	57	400	1,911.88	10,054.00	33.54
Region II: New York	2,535	13,448	\$14,381.45	\$457,849.82	45.12
Region III (total)	3,050	19,702	\$134,980.37	\$615,490.27	44.26
Delaware	62	394	2,985.26	12,099.08	48.15
New Jersey	843	5,516	30,869.93	188,413.89	47.30
Pennsylvania	2,145	13,792	92,125.18	414,977.30	42.95

TABLE 2.—Lump-sum payments under Federal old-age insurance, as of Mar. 31, 1938—Continued

Place of origin	Claims certified in March	Total number of claims certified, January 1937-March 1938	Amount of payments in March	Total amounts of payments, January 1937-March 1938	Average payments in March
Region IV (total)	1,588	8,445	\$50,770.46	\$215,995.42	\$31.97
District of Columbia	143	597	5,406.52	18,839.28	37.81
Maryland	327	1,955	12,551.56	59,145.94	38.38
North Carolina	431	2,380	11,114.86	48,262.86	25.79
Virginia	391	1,924	11,245.53	47,234.36	28.76
West Virginia	296	1,589	10,451.99	42,512.98	35.31
Region V (total)	2,876	15,226	\$113,100.78	\$466,183.72	39.33
Kentucky	286	1,327	7,939.68	33,434.65	27.76
Michigan	1,050	5,102	41,419.44	158,339.71	39.45
Ohio	1,540	8,797	63,741.66	274,409.36	41.39
Region VI (total)	2,396	14,502	\$95,337.32	\$439,824.23	39.79
Illinois	1,300	7,792	53,102.39	248,416.39	40.85
Indiana	622	3,719	23,342.42	104,290.33	37.53
Wisconsin	474	2,991	18,892.51	87,117.51	39.86
Region VII (total)	1,807	6,290	\$48,027.38	\$139,721.98	26.58
Alabama	365	1,407	10,043.32	30,861.45	27.52
Florida	228	752	7,128.49	18,870.22	31.27
Georgia	364	1,430	9,537.82	32,245.97	26.20
Mississippi	119	382	2,987.11	7,868.63	25.10
South Carolina	300	902	6,259.71	16,177.69	20.87
Tennessee	431	1,417	12,070.93	33,698.01	28.01
Region VIII (total)	875	3,258	\$4,203.50	\$7,102.33	39.09
Iowa	280	1,080	9,896.52	29,493.18	35.34
Minnesota	377	1,479	16,362.66	46,766.67	43.40
Nebraska	143	466	5,479.01	14,623.56	38.31
North Dakota	35	103	1,337.61	2,997.36	38.22
South Dakota	40	130	1,127.70	3,221.56	28.19
Region IX (total)	1,309	5,501	\$42,855.11	\$154,991.85	32.97
Arkansas	204	594	3,857.43	12,058.03	18.91
Kansas	285	997	7,206.56	25,044.76	25.29
Missouri	597	3,027	23,429.60	89,460.75	39.25
Oklahoma	214	883	8,361.52	28,428.31	39.07
Region X (total)	1,138	4,319	\$32,898.67	\$114,690.21	28.91
Louisiana	273	1,013	8,359.67	27,278.36	30.62
New Mexico	110	224	1,424.33	4,061.42	12.95
Texas	755	3,082	23,114.67	83,350.43	30.62
Region XI (total)	430	2,559	\$15,523.20	\$71,874.15	36.10
Arizona	60	262	2,129.55	6,854.47	25.49
Colorado	128	936	5,035.57	26,394.05	39.34
Idaho	69	281	1,744.35	7,194.14	25.28
Montana	87	505	3,626.65	16,123.41	41.69
Utah	60	430	2,263.84	11,999.97	37.73
Wyoming	26	145	723.24	3,308.11	27.82
Region XII (total)	1,787	8,497	\$70,360.24	\$260,676.89	39.37
California	1,133	5,440	45,713.06	174,513.30	40.35
Nevada	23	122	1,503.68	4,027.22	65.38
Oregon	221	1,046	7,867.73	28,982.20	35.60
Washington	410	1,889	15,275.77	53,154.17	37.26
Alaska	6	17	255.83	634.72	42.64
Hawaii	12	84	437.49	2,184.76	36.46
Foreign	18	70	965.62	2,395.91	53.65

TABLE 3.—Benefits under Federal old-age insurance
[Examples of monthly payments scheduled to begin in January 1942]

Average monthly salary	Years of employment							
	5	10	15	20	25	30	35	40
\$25	(1)	\$15.00	\$16.25	\$17.50	\$18.75	\$20.00	\$21.25	\$22.50
\$50	\$15.00	17.50	20.00	22.50	25.00	27.50	30.00	32.50
\$75	16.25	20.00	23.75	27.50	31.25	35.00	38.75	42.50
\$100	17.50	22.50	27.50	32.50	37.50	42.50	47.50	52.50
\$125	18.75	25.00	31.25	37.50	43.75	50.00	56.25	62.50
\$150	20.00	27.50	35.00	42.50	50.00	57.50	65.00	72.50
\$175	21.25	30.00	38.75	47.50	56.25	65.00	73.75	82.50
\$200	22.50	32.50	42.50	51.25	60.00	68.75	77.50	86.25
\$225	23.75	35.00	46.25	56.25	65.00	73.75	82.50	91.25
\$250	25.00	37.50	50.00	62.50	75.00	87.50	100.00	112.50

¹ Lump-sum payment of \$52.50.

² Only \$3,000 a year counted.

Examples of lump-sum payments

	Lump-sum benefit at age 65 or payment to estate if worker dies before receiving benefits				
	After 6 months' work	After 1 year's work	After 2 years' work	After 3 years' work	After 4 years' work
Average week's pay:					
\$10.....	\$9.10	\$18.20	\$36.40	\$54.60	\$72.80
\$12.....	10.92	21.84	43.68	65.52	87.36
\$15.....	13.65	27.30	54.60	81.90	109.20
\$18.....	16.38	32.76	65.52	98.28	131.04
\$21.....	19.11	38.22	76.44	114.66	152.88
\$25.....	22.75	45.50	91.00	136.50	182.00
\$30.....	27.30	54.60	109.20	163.80	218.40
\$40.....	36.40	72.80	145.60	218.40	291.20
\$50.....	45.50	91.00	182.00	273.00	364.00
\$60 ¹	54.60	109.20	210.00	315.00	420.00

¹ Only \$3,000 a year counted.

NOTE.—Lump-sum payments equal 3½ percent of total wages from covered employment, between Dec. 31, 1936, and the time the worker dies or becomes 65. If a worker's wages which count toward benefits have been received from employment in 5 years after 1936 and before he reaches age 65, and if such wages amount to \$2,000 or more, he will receive his benefits in the form of monthly retirement income instead of as a lump sum.

TABLE 4.—Estimated number of persons employed as of Dec. 15, 1937, in jobs covered by State unemployment compensation laws

States with approved laws:	
Alabama.....	276,000
Arizona.....	71,000
Arkansas.....	143,000
California.....	1,059,000
Colorado.....	148,000
Connecticut.....	357,000
Delaware.....	47,000
District of Columbia.....	155,000
Florida.....	241,000
Georgia.....	313,000
Idaho.....	72,000
Illinois.....	1,447,000
Indiana.....	495,000
Iowa.....	247,000
Kansas.....	198,000
Kentucky.....	302,000
Louisiana.....	210,000
Maine.....	93,000
Maryland.....	295,000
Massachusetts.....	714,000
Michigan.....	886,000
Minnesota.....	408,000
Mississippi.....	103,000
Missouri.....	535,000
Montana.....	75,000
Nebraska.....	132,000
Nevada.....	21,000
New Hampshire.....	82,000
New Jersey.....	744,000
New Mexico.....	46,000
New York.....	2,342,000
North Carolina.....	422,000
North Dakota.....	35,000
Ohio.....	1,143,000
Oklahoma.....	207,000
Oregon.....	156,000
Pennsylvania.....	1,808,000
Rhode Island.....	130,000
South Carolina.....	187,000
South Dakota.....	37,000
Tennessee.....	280,000
Texas.....	620,000
Utah.....	71,000
Vermont.....	42,000
Virginia.....	294,000
Washington.....	262,000
West Virginia.....	283,000
Wisconsin.....	434,000
Wyoming.....	40,000
Total.....	18,708,000

(1) These estimates indicate current actual employment on the date specified. They do not represent the total coverage of workers for unemployment compensation purposes; that is, the number of workers who, by reason of past or present employment, have accrued or are accruing rights to benefits under State laws. Because of labor turn-over, the number of workers having accounts in the unemployment compensation agencies of each State may be from 25 to 50 percent larger than the number employed in covered industries on a particular date.

(2) Alaska, Hawaii, current figures are not available. Estimates based on Federal census of April 1930 give approximately 43,000 workers in Hawaii and 15,500 in Alaska in employments of a type now covered by unemployment compensation. The number of

covered jobs probably doubles in Alaska during the summer months, when there is a large influx of migratory workers.

TABLE 5.—Unemployment compensation, benefit payments as of Apr. 2, 1938

State	Number of checks issued	Amount of checks issued
Alabama.....	203,221	\$1,389,627.00
Arizona.....	29,809	370,095.84
California.....	286,237	2,723,840.69
Connecticut.....	1364,799	3,805,046.75
District of Columbia.....	28,946	250,644.50
Louisiana.....	56,732	361,368.00
Maine.....	113,774	963,729.53
Maryland.....	1280,392	2,471,087.50
Massachusetts.....	556,589	5,850,954.00
Minnesota.....	1130,877	1,424,243.41
New Hampshire.....	74,808	647,986.00
New York.....	1,259,839	14,471,896.73
North Carolina.....	1340,490	1,585,789.85
Oregon.....	132,266	1,565,287.04
Pennsylvania.....	1,387,729	15,758,677.30
Rhode Island.....	356,898	3,154,721.62
Tennessee.....	168,743	1,177,731.69
Texas.....	134,464	1,230,949.89
Utah.....	65,954	746,412.77
Vermont.....	33,161	238,165.59
Virginia.....	11,352	83,374.89
West Virginia.....	290,081	2,835,711.63
Wisconsin.....	326,492	3,043,386.25
Total.....	6,633,663	66,200,728.47

¹ Represents number of compensable weeks paid rather than the number of checks issued. This is due to the use of multipayment checks, in which payment for several weeks back may be included in the same check.

The number of checks issued gives no indication of the number of individuals who may be receiving compensation since it includes successive weekly payments to the same individuals. It is also not to be used to secure an estimate of the average weekly benefit since the total amount paid includes benefits both for total unemployment and for partial unemployment in those States in which partial benefits are payable. Furthermore, in a few instances, State agencies have made lump-sum payments in one check covering two or more compensable weeks.

TABLE 6.—Unemployment trust fund as of Mar. 31, 1938

	Deposits	Earnings	Withdrawals	Balance
Alabama.....	\$9,657,881.13	\$159,536.96	\$2,000,000	\$7,817,418.09
Alaska.....	330,390.76	1,404.29		331,795.05
Arizona.....	2,227,108.06	33,786.63	525,000	1,735,894.69
Arkansas.....	2,163,066.73	24,374.71		2,187,441.44
California.....	72,954,400.00	1,251,472.56	7,500,000	66,705,872.56
Colorado.....	5,206,898.12	87,511.26		5,294,409.38
Connecticut.....	16,918,000.00	278,057.93	4,250,000	12,946,057.93
Delaware.....	1,610,000.00	9,830.71		1,619,830.71
District of Columbia.....	6,841,826.06	142,394.82	275,000	6,709,220.88
Florida.....	3,890,000.00	28,807.18		3,918,807.18
Georgia.....	6,150,000.00	46,062.93		6,196,062.93
Hawaii.....	1,334,541.78	6,583.70		1,341,125.48
Idaho.....	2,075,978.15	34,982.29		2,110,960.44
Illinois.....	39,000,000.00	126,139.20		39,126,139.20
Indiana.....	26,576,164.74	516,462.19		27,092,626.93
Iowa.....	7,900,000.00	114,475.22		8,014,475.22
Kansas.....	4,067,600.86	48,332.78		4,115,933.64
Kentucky.....	10,782,000.00	151,768.26		10,933,768.26
Louisiana.....	9,075,000.00	142,251.65	400,000	8,817,251.65
Maine.....	4,050,000.00	66,832.97	1,000,000	3,116,832.97
Maryland.....	10,800,000.00	150,940.78	2,800,000	8,150,940.78
Massachusetts.....	47,300,000.00	791,865.10	7,000,000	41,091,865.10
Michigan.....	51,601,001.32	650,190.63		52,251,191.95
Minnesota.....	13,150,000.00	192,807.08	1,500,000	11,842,807.08
Mississippi.....	2,677,725.85	48,442.58		2,726,168.43
Missouri.....	13,200,000.00	48,538.44		13,248,538.44
Montana.....	2,000,000.00	19,113.05		2,019,113.05
Nebraska.....	2,562,500.00	18,404.57		2,580,904.57
Nevada.....	702,135.83	7,214.41		709,350.24
New Hampshire.....	4,571,312.59	82,552.51	920,000	3,733,865.10
New Jersey.....	33,446,000.00	566,843.60		34,012,843.60
New Mexico.....	1,300,000.00	23,355.69		1,323,355.69
New York.....	114,500,000.00	2,217,060.43	15,000,000	101,717,060.43
North Carolina.....	11,400,000.00	181,921.09	1,900,000	9,681,921.09
North Dakota.....	750,000.00	7,567.96		757,567.96
Ohio.....	61,344,933.05	880,681.71		62,225,614.76
Oklahoma.....	7,860,000.00	125,690.66		7,985,690.66
Oregon.....	7,048,240.51	130,088.23	2,000,000	5,178,328.74
Pennsylvania.....	85,332,000.00	1,338,522.91	16,000,000	70,670,522.91
Rhode Island.....	9,616,012.59	169,394.63	3,500,000	6,275,407.22
South Carolina.....	5,075,000.00	86,001.81		5,161,001.81
South Dakota.....	1,100,000.00	19,131.75		1,119,131.75
Tennessee.....	8,420,000.00	134,320.42	1,500,000	7,054,320.42
Texas.....	23,355,000.00	386,402.06	1,500,000	22,241,402.06
Utah.....	2,668,367.70	46,237.17	1,020,000	1,694,604.87
Vermont.....	1,577,400.58	25,452.30	325,000	1,277,852.88
Virginia.....	9,550,000.00	149,292.68	1,350,000	8,349,292.68
Washington.....	7,775,000.00	79,213.04		7,854,213.04
West Virginia.....	11,289,467.76	158,542.09	3,200,000	8,248,009.85
Wisconsin.....	35,085,581.31	1,025,162.46	5,000,000	31,110,743.77
Wyoming.....	1,000,000.00	10,489.18		1,010,489.18
Total.....	820,868,535.48	13,032,499.26	80,465,000	753,436,034.74

TABLE 7.—Total unemployment compensation and employment service grants, December 1936–Apr. 5, 1938

Alabama.....	\$725,628.96
Arizona.....	267,726.46
Arkansas.....	202,458.27
California.....	3,431,316.28
Colorado.....	169,461.51
Connecticut.....	888,664.84
Delaware.....	117,530.22
District of Columbia.....	420,039.78
Florida.....	161,372.00
Georgia.....	237,175.24
Idaho.....	210,641.41
Illinois.....	276,652.06
Indiana.....	1,546,224.69
Iowa.....	303,191.95
Kansas.....	148,458.46
Kentucky.....	271,652.90
Louisiana.....	663,297.05
Maine.....	507,869.89
Maryland.....	681,870.96
Massachusetts.....	2,376,962.93
Michigan.....	871,559.64
Minnesota.....	1,095,427.61
Mississippi.....	322,698.74
Missouri.....	160,924.68
Montana.....	114,625.76
Nebraska.....	98,259.93
Nevada.....	108,612.80
New Hampshire.....	599,079.02
New Jersey.....	732,269.12
New Mexico.....	85,572.98
New York.....	7,315,408.33
North Carolina.....	916,893.32
North Dakota.....	125,084.30
Ohio.....	620,347.58
Oklahoma.....	284,369.95
Oregon.....	644,428.73
Pennsylvania.....	6,886,990.95
Rhode Island.....	617,977.14
South Carolina.....	346,407.49
South Dakota.....	132,846.33
Tennessee.....	587,416.09
Texas.....	2,045,278.43
Utah.....	325,637.71
Vermont.....	240,556.77
Virginia.....	712,929.86
Washington.....	144,865.76
West Virginia.....	666,086.58
Wisconsin.....	1,655,274.09
Wyoming.....	86,287.91
Alaska.....	33,051.21
Hawaii.....	83,898.49

Total.....42,269,063.16

TABLE 8.—Statistics of public assistance under the Social Security Act for February 1938

[Data corrected to Mar. 25, 1938]

States with plans approved by the Social Security Board	Number of recipients ¹ of public assistance for February 1938			
	Old-age assistance	Aid to dependent children		Aid to the blind
		Families	Children	
Total.....	1,632,802	225,273	558,543	46,401
1. Alabama.....	14,498	5,236	15,642	385
2. Alaska.....	759			
3. Arizona.....	5,559	1,486	4,399	261
4. Arkansas.....	19,341	4,759	12,569	677
5. California.....	104,201	11,406	28,243	5,451
6. Colorado.....	35,314	3,414	8,936	581
7. Connecticut.....	14,288			
8. Delaware.....	2,785	467	1,088	
9. District of Columbia.....	25,923	1,274	3,762	192
10. Florida.....	26,593			373
11. Georgia.....	25,923	3,443	9,639	878
12. Hawaii.....	1,588	918	3,119	170
13. Idaho.....	8,325	2,395	5,656	282
14. Illinois.....	121,482			
15. Indiana.....	42,042	12,520	27,092	2,263
16. Iowa.....	45,917			738
17. Kansas.....	16,637	3,548	8,752	600

¹ The number reported in each column is the number of individuals whose applications for public assistance have been approved formally. This number is less than the total number of persons in households receiving public assistance under the Social Security Act. For other statistical information for February see the section of the Social Security Bulletin entitled "Public Assistance, Statistics for the United States," published by the Social Security Board, Bureau of Research and Statistics, Division of Public Assistance Research.

² Preliminary figures, subject to revision.

TABLE 8.—Statistics of public assistance under the Social Security Act for February 1938—Continued

States with plans approved by the Social Security Board	Number of recipients of public assistance for February 1938			
	Old-age assistance	Aid to dependent children		Aid to the blind
		Families	Children	
18. Kentucky.....	33,959			
19. Louisiana.....	24,930	8,326	24,120	580
20. Maine.....	2,583	1,327	3,549	1,275
21. Maryland.....	16,515	6,853	19,274	569
22. Massachusetts.....	66,577	7,702	19,406	1,027
23. Michigan.....	70,487	12,512	28,853	545
24. Minnesota.....	62,973	4,909	12,648	541
25. Mississippi.....	15,321			
26. Missouri.....	74,073	423	1,246	
27. Montana.....	11,828	1,772	4,189	10
28. Nebraska.....	26,049	4,116	9,699	559
29. Nevada.....	1,699			
30. New Hampshire.....	3,683	361	1,012	297
31. New Jersey.....	25,778	11,084	24,832	554
32. New Mexico.....	3,829	1,395	4,087	205
33. New York.....	104,297	27,077	56,048	2,382
34. North Carolina.....	24,284	5,283	15,430	1,823
35. North Dakota.....	7,441	577	1,851	93
36. Ohio.....	105,533	10,686	28,550	3,750
37. Oklahoma.....	68,446	14,655	34,084	2,070
38. Oregon.....	15,309	1,099	2,496	430
39. Pennsylvania.....	95,028	17,412	43,662	11,216
40. Rhode Island.....	5,942	846	2,388	
41. South Carolina.....	17,334	2,446	7,308	646
42. South Dakota.....	14,795			2
43. Tennessee.....	19,410	8,242	23,399	778
44. Texas.....	111,617			
45. Utah.....	12,265	2,625	6,405	243
46. Vermont.....	5,486	320	749	149
47. Washington.....	36,692	6,419	13,811	1,023
48. West Virginia.....	18,649	5,520	16,274	751
49. Wisconsin.....	38,784	9,819	22,852	1,975
50. Wyoming.....	2,868	596	1,474	167

¹ Federal funds available, but no payments made for this month.

TABLE 9.—Statistics of public assistance under the Social Security Act for February 1938

[Data corrected to Mar. 25, 1938]

States with plans approved by the Social Security Board	Amount of obligations incurred for payments to recipients of public assistance for February 1938 ¹			
	Total	Old-age assistance	Aid to dependent children	Aid to the blind
Total.....	\$39,982,074	\$31,585,365	\$7,214,000	\$1,182,818
1. Alabama.....	228,258	156,527	67,948	3,783
2. Alaska.....	21,460			
3. Arizona.....	195,311	141,143	48,003	6,165
4. Arkansas.....	232,524	176,809	49,564	6,151
5. California.....	4,111,147	3,429,742	419,713	261,692
6. Colorado.....	1,238,657	1,116,993	105,646	16,145
7. Connecticut.....	339,216	339,216		
8. Delaware.....	45,230	30,133	15,097	
9. District of Columbia.....	147,192	78,073	64,059	5,060
10. Florida.....	420,030	413,919		6,111
11. Georgia.....	336,143	249,503	76,136	10,504
12. Hawaii.....	50,896	19,946	30,301	1,649
13. Idaho.....	248,140	179,777	62,000	6,363
14. Illinois.....	2,088,828	2,088,828		
15. Indiana.....	1,071,645	677,831	351,281	42,533
16. Iowa.....	926,284	908,943		17,341
17. Kansas.....	433,687	317,059	103,848	12,780
18. Kentucky.....	318,545	318,545		
19. Louisiana.....	426,033	247,004	171,538	7,491
20. Maine.....	132,438	54,076	49,805	28,557
21. Maryland.....	522,487	290,487	220,286	11,714
22. Massachusetts.....	2,350,227	1,864,402	465,144	20,681
23. Michigan.....	1,828,968	1,331,920	482,736	14,312
24. Minnesota.....	1,425,626	1,243,784	170,547	11,295
25. Mississippi.....	70,058			
26. Missouri.....	1,080,304	1,072,037	14,267	
27. Montana.....	289,846	240,763	49,083	10
28. Nebraska.....	572,777	444,495	117,213	11,069
29. Nevada.....	46,432			
30. New Hampshire.....	102,594	82,735	13,636	6,205
31. New Jersey.....	807,770	471,534	323,901	12,335
32. New Mexico.....	87,588	48,554	35,728	3,306
33. New York.....	8,846,291	2,490,909	1,300,660	54,722
34. North Carolina.....	338,232	227,654	84,655	25,923

¹ Amount of payments to recipients from Federal, State, and local funds, administrative expense excluded. For other statistical information for February see the section of the Social Security Bulletin entitled "Public Assistance, Statistics for the United States," published by the Social Security Board, Bureau of Research and Statistics, Division of Public Assistance Research.

² Preliminary figures, subject to revision.

³ Federal funds available, but no payments made for this month.

TABLE 9.—Statistics of public assistance under the Social Security Act for February 1938—Continued

States with plans approved by the Social Security Board	Amount of obligations incurred for payments to recipients of public assistance for February 1938			
	Total	Old-age assistance	Aid to dependent children	Aid to the blind
35. North Dakota.....	\$147,869	\$126,342	\$19,862	\$1,665
36. Ohio.....	2,909,972	2,431,712	407,093	71,167
37. Oklahoma.....	1,300,265	1,032,593	232,921	34,751
38. Oregon.....	377,867	327,980	39,048	10,839
39. Pennsylvania.....	2,999,281	2,061,237	602,534	335,510
40. Rhode Island.....	152,196	109,933	42,263	—
41. South Carolina.....	245,004	186,368	49,900	8,736
42. South Dakota.....	276,597	276,546	—	51
43. Tennessee.....	432,839	259,114	153,022	11,703
44. Texas.....	1,532,003	1,532,003	—	—
45. Utah.....	408,102	312,736	89,090	6,276
46. Vermont.....	86,912	78,206	6,285	2,421
47. Washington.....	1,085,620	860,635	189,702	35,283
48. West Virginia.....	393,307	260,909	119,211	13,187
49. Wisconsin.....	1,172,723	776,963	352,411	43,349
50. Wyoming.....	83,633	60,797	17,863	4,993

TABLE 10.—Statistics of public assistance under the Social Security Act for February 1938

[Data corrected to Mar. 25, 1938]

States with plans approved by the Social Security Board	Average amount paid to recipients of public assistance for February 1938 ¹		
	Old-age assistance	Aid to dependent children (average per family)	Aid to the blind
Total.....	\$19.34	\$32.02	\$25.49
1. Alabama.....	10.80	12.98	9.82
2. Alaska.....	28.27	—	—
3. Arizona.....	25.39	32.30	23.62
4. Arkansas.....	9.14	10.41	9.08
5. California.....	32.91	36.80	48.01
6. Colorado.....	31.63	30.94	27.79
7. Connecticut.....	23.74	—	—
8. Delaware.....	10.82	32.33	—
9. District of Columbia.....	25.30	50.28	26.35
10. Florida.....	15.56	—	16.38
11. Georgia.....	9.62	22.08	11.96
12. Hawaii.....	12.56	33.01	9.27
13. Idaho.....	21.59	25.89	22.56
14. Illinois.....	17.19	—	—
15. Indiana.....	16.12	28.06	18.79
16. Iowa.....	19.80	—	23.50
17. Kansas.....	19.06	29.27	21.30
18. Kentucky.....	9.38	—	—
19. Louisiana.....	9.91	20.60	12.91
20. Maine.....	20.94	37.53	22.40
21. Maryland.....	17.59	32.14	20.59
22. Massachusetts.....	28.00	60.39	20.14
23. Michigan.....	18.90	38.58	26.26
24. Minnesota.....	19.75	34.74	20.88
25. Mississippi.....	4.57	—	—
26. Missouri.....	14.47	33.73	—
27. Montana.....	20.35	27.70	0
28. Nebraska.....	17.06	28.48	19.80
29. Nevada.....	27.33	—	—
30. New Hampshire.....	22.46	37.77	20.89
31. New Jersey.....	18.29	29.22	22.27
32. New Mexico.....	12.68	25.61	16.13
33. New York.....	23.88	48.04	22.97
34. North Carolina.....	9.37	16.02	14.22
35. North Dakota.....	16.98	34.42	17.90
36. Ohio.....	23.04	38.10	18.98
37. Oklahoma.....	15.09	15.89	16.79
38. Oregon.....	21.42	35.53	25.21
39. Pennsylvania.....	21.69	34.60	29.91
40. Rhode Island.....	18.50	49.96	—
41. South Carolina.....	10.75	20.40	13.52
42. South Dakota.....	18.69	—	25.75
43. Tennessee.....	13.35	18.57	15.04
44. Texas.....	13.73	—	—
45. Utah.....	25.50	33.94	25.83
46. Vermont.....	14.26	19.64	16.25
47. Washington.....	23.46	29.55	34.49
48. West Virginia.....	13.99	21.60	17.56
49. Wisconsin.....	20.03	35.89	21.95
50. Wyoming.....	21.20	29.97	29.90

¹ Amount of payments to recipients from Federal, State, and local funds, administrative expense excluded. For other statistical information for February see the section of the Social Security Bulletin entitled "Public Assistance, Statistics for the United States," published by the Social Security Board, Bureau of Research and Statistics, Division of Public Assistance Research.

² Preliminary figures, subject to revision.

TABLE 11.—Federal public assistance grants to States, Feb. 1, 1936, to June 30, 1938, as of Apr. 5, 1938

[The amounts given in the following table represent the total Federal funds made available to the States for public assistance. Under the act advances are made to States on the basis of the States' own estimates of their needs for the ensuing quarter. At the end of each quarter these amounts are adjusted on the basis of a Federal audit and of State reports of actual expenditures for prior quarters.]

State	Aged	Blind	Children	Grand total for 3 categories
Alabama.....	\$1,771,050.11	\$31,649.17	\$705,133.09	\$2,507,832.37
Alaska.....	144,458.99	—	—	144,458.99
Arizona.....	686,563.31	56,104.03	356,311.41	1,098,978.75
Arkansas.....	2,109,420.47	77,833.60	426,605.81	2,613,859.88
California.....	27,460,944.08	1,613,728.04	2,395,701.11	31,470,373.23
Colorado.....	10,794,223.16	207,392.98	827,845.11	11,829,461.25
Connecticut.....	3,761,539.10	2,520.00	—	3,764,059.10
Delaware.....	393,476.49	—	109,016.29	502,492.78
District of Columbia.....	—	—	—	—
Florida.....	701,059.50	44,552.39	534,287.59	1,279,899.48
Georgia.....	2,657,461.44	71,820.00	—	2,729,281.44
Hawaii.....	1,127,886.59	42,596.25	232,985.97	1,403,468.81
Idaho.....	167,672.36	8,274.00	135,287.90	309,234.26
Illinois.....	2,607,517.71	90,741.54	528,692.56	3,226,951.81
Indiana.....	21,224,688.16	—	—	21,224,688.16
Iowa.....	7,659,984.65	465,328.05	1,865,883.20	9,991,195.90
Kansas.....	9,086,480.56	91,618.25	—	9,178,098.81
Kentucky.....	866,302.26	41,341.62	224,573.51	1,132,217.39
Louisiana.....	2,951,575.29	—	—	2,951,575.29
Maine.....	2,155,874.25	29,512.59	1,203,075.72	3,388,462.56
Maryland.....	891,851.10	330,534.75	430,971.83	1,653,357.68
Massachusetts.....	3,352,889.37	158,239.42	1,900,015.99	5,411,144.78
Michigan.....	17,168,109.81	257,053.69	1,968,667.51	19,393,831.01
Minnesota.....	11,332,886.62	114,485.20	2,625,499.75	14,072,871.57
Mississippi.....	15,333,324.82	71,994.83	585,375.72	15,990,695.37
Missouri.....	1,092,607.42	—	5,791.98	1,105,483.93
Montana.....	10,982,439.38	—	226,800.00	11,209,239.38
Nebraska.....	2,065,472.71	6,300.00	157,842.17	2,229,614.88
Nevada.....	5,542,722.17	138,934.97	755,714.36	6,437,371.50
New Hampshire.....	236,561.17	—	—	236,561.17
New Jersey.....	1,062,370.72	85,910.52	127,328.37	1,275,609.61
New Mexico.....	5,519,156.69	138,791.33	2,779,497.67	8,437,445.69
New York.....	447,064.59	27,113.14	196,306.01	670,483.74
North Carolina.....	21,104,474.24	354,843.53	3,174,179.00	24,633,496.77
North Dakota.....	1,190,088.87	158,953.92	340,369.66	1,689,412.45
Ohio.....	1,400,401.30	17,718.75	114,216.00	1,532,336.05
Oklahoma.....	32,231,963.26	786,664.09	2,500,557.47	35,519,184.82
Oregon.....	8,350,216.92	171,511.73	984,059.66	9,505,788.31
Pennsylvania.....	3,936,900.74	122,888.86	176,325.84	4,236,115.44
Rhode Island.....	15,180,975.19	3,346,388.51	2,824,710.21	21,352,073.91
South Carolina.....	1,083,350.88	—	163,649.82	1,247,000.70
South Dakota.....	828,289.67	43,790.33	138,715.01	1,010,795.01
Tennessee.....	2,125,390.94	7,875.00	—	2,133,265.94
Texas.....	1,087,829.21	52,018.25	566,961.94	1,706,809.40
Utah.....	19,066,414.43	—	—	19,066,414.43
Vermont.....	2,702,672.87	82,023.45	69,307.36	3,478,003.68
Washington.....	859,386.11	25,243.41	60,268.35	944,897.87
West Virginia.....	9,548,155.38	331,511.83	1,833,882.43	11,713,549.64
Wisconsin.....	2,469,880.64	105,754.37	652,715.13	3,228,350.14
Wyoming.....	8,835,659.42	595,112.93	2,102,108.12	11,532,880.47
Total.....	831,251.27	76,923.04	176,925.73	1,085,100.04
Total.....	306,228,936.39	10,490,676.89	37,806,162.36	354,525,775.64

¹ The Mississippi plans for aid to the needy blind and to dependent children, approved Dec. 27, 1935, were based on a law due to expire Mar. 1, 1936. The 1936 regular session of the Mississippi legislature extended this law until Apr. 1, 1936. Upon that date it became inoperative, thereby terminating the plans. The grants were made for the last 2 months of the quarter ending Mar. 31, 1936.

TABLE 12.—Federal grants to States for public-health work, fiscal year 1937-38, to Dec. 31, 1937

Alabama.....	\$145,000
Alaska.....	17,500
Arizona.....	29,900
Arkansas.....	97,700
California.....	150,300
Colorado.....	47,500
Connecticut.....	46,500
Delaware.....	17,600
District of Columbia.....	33,800
Florida.....	64,200
Georgia.....	152,100
Hawaii.....	32,400
Idaho.....	35,900
Illinois.....	181,200
Indiana.....	83,500
Iowa.....	92,500
Kansas.....	52,900
Kentucky.....	124,300
Louisiana.....	89,000
Maine.....	35,600
Maryland.....	68,000
Massachusetts.....	114,500
Michigan.....	145,700
Minnesota.....	101,800
Mississippi.....	106,400

TABLE 12.—Federal grants to States for public-health work, fiscal year 1937-38, to Dec. 31, 1937—Continued

Missouri.....	\$89,500
Montana.....	20,200
Nebraska.....	30,100
Nevada.....	15,300
New Hampshire.....	19,100
New Jersey.....	103,200
New Mexico.....	44,000
New York.....	324,800
North Carolina.....	167,800
North Dakota.....	28,600
Ohio.....	184,700
Oklahoma.....	113,300
Oregon.....	44,000
Pennsylvania.....	213,100
Rhode Island.....	30,100
South Carolina.....	104,400
South Dakota.....	40,000
Tennessee.....	143,600
Texas.....	198,100
Utah.....	35,000
Vermont.....	23,500
Virginia.....	116,100
Washington.....	63,300
West Virginia.....	78,900
Wisconsin.....	92,800
Wyoming.....	13,000
Total.....	4,401,800

TABLE 13.—Federal grants to States under programs of the Social Security Act administered by Children's Bureau—Checks issued by Treasury Department in the fiscal year 1937-38 to Feb. 28, 1938

	Maternal and child-health services	Services for crippled children	Child-welfare services
Alabama.....	\$80,700	\$52,500	\$29,100
Alaska.....	10,500	3,500	5,700
Arizona.....	37,600	17,800	(¹)
Arkansas.....	38,600	35,600	18,100
California.....	89,600	40,600	19,800
Colorado.....	38,100	9,300	15,800
Connecticut.....	25,400	26,100	9,300
Delaware.....	21,600	3,200	7,500
District of Columbia.....	28,100	19,400	6,700
Florida.....	55,100	28,800	21,700
Georgia.....	95,500	2,800	28,800
Hawaii.....	27,600	9,300	8,700
Idaho.....	27,900	10,800	10,700
Illinois.....	91,200	85,100	39,300
Indiana.....	56,800	21,600	23,800
Iowa.....	38,200	44,000	23,000
Kansas.....	27,400	26,400	16,200
Kentucky.....	62,900	52,800	34,200
Louisiana.....	65,300	(²)	19,400
Maine.....	24,400	20,200	13,900
Maryland.....	41,700	33,800	8,300
Massachusetts.....	56,200	63,400	8,700
Michigan.....	74,700	70,500	29,400
Minnesota.....	50,500	48,000	25,900
Mississippi.....	63,300	20,600	(³)
Missouri.....	46,600	42,200	30,000
Montana.....	33,200	21,400	15,500
Nebraska.....	17,900	38,200	18,100
Nevada.....	26,700	800	10,200
New Hampshire.....	18,300	8,900	8,700
New Jersey.....	56,800	35,000	15,900
New Mexico.....	43,200	23,900	6,700
New York.....	131,700	101,500	37,100
North Carolina.....	90,800	55,200	49,600
North Dakota.....	32,600	37,100	11,300
Ohio.....	79,700	101,400	28,200
Oklahoma.....	65,800	58,800	31,600
Oregon.....	36,300	12,100	16,400
Pennsylvania.....	108,100	153,400	39,400
Rhode Island.....	27,700	27,700	(⁴)
South Carolina.....	74,200	23,900	24,600
South Dakota.....	28,700	24,900	14,100
Tennessee.....	68,900	30,400	38,600
Texas.....	97,200	86,200	48,900
Utah.....	20,300	15,900	4,200
Vermont.....	24,400	13,700	10,500
Virginia.....	75,000	46,600	38,100
Washington.....	33,700	38,100	15,300
West Virginia.....	34,800	37,300	28,800
Wisconsin.....	46,800	52,000	30,100
Wyoming.....	5,600	2,000	(⁵)
Total.....	2,559,900	1,837,900	995,900

¹ Plan approved only for first month of fiscal year. No funds.² Refund of unexpended grant.³ No plan approved by Chief, Children's Bureau.⁴ Plan approved Mar. 5, 1938.⁵ Plan approved Mar. 10, 1938.⁶ No plan approved by Chief, Children's Bureau.

TABLE 14.—Vocational rehabilitation, cases on live roll, fiscal year ending June 30, 1937

Alabama.....	774
Arizona.....	282
Arkansas.....	431
California.....	2,413
Colorado.....	265
Connecticut.....	294
District of Columbia.....	322
Florida.....	588
Georgia.....	1,223
Hawaii.....	140
Idaho.....	150
Illinois.....	1,284
Indiana.....	1,856
Iowa.....	456
Kentucky.....	497
Louisiana.....	1,316
Maine.....	162
Maryland.....	373
Massachusetts.....	781
Michigan.....	1,618
Minnesota.....	2,436
Mississippi.....	1,276
Missouri.....	707
Montana.....	360
Nebraska.....	254
Nevada.....	84
New Hampshire.....	216
New Jersey.....	1,303
New Mexico.....	101
New York.....	2,577
North Carolina.....	1,301
North Dakota.....	238
Ohio.....	999
Oklahoma.....	1,008
Oregon.....	411
Pennsylvania.....	2,354
Puerto Rico.....	301
Rhode Island.....	181
South Carolina.....	742
South Dakota.....	110
Tennessee.....	1,933
Texas.....	2,547
Utah.....	184
Virginia.....	1,169
Washington.....	366
West Virginia.....	560
Wisconsin.....	2,943
Wyoming.....	169
Total.....	42,055

These show amazing results in the short time the Social Security Act has been in existence. Since old-age insurance is federally administered, it is, of course, in effect in every part of the country. But in the other nine programs included in the act—where nothing happens without State action—the record is also nearing completion. Thirty-six States have approved plans for all nine of these Federal-State programs—unemployment compensation, old-age assistance, aid to the blind, aid to dependent children, public health, maternal and child health, services to crippled children, child welfare, and vocational rehabilitation. Six States lack but one program; and another eight lack two. The only State, Virginia, still lacking as many as three has recently passed legislation to enable it to take full part in the act. In summary, State participation already stands at about 95 percent of the potential total, and we may take it for granted that the record will be 100 percent complete in the very near future.

But calling the roll of the States is about like naming the bones in the human body. It is a skeleton picture. You cannot really gage this progress unless you look at it State by State.

Take my own State of North Carolina, for example. Prior to Federal cooperation, it goes without saying that we had nothing like old-age insurance. But we also had no old-age assistance, no aid to the blind, no unemployment compensation. We had, like most other States, made piecemeal efforts in some directions; we did provide some help for children and various public-health services. But even these were nothing like what we have now.

As against that, consider this picture: Today old-age insurance accounts have been set up for about 750,000 North

Carolina workers. Nearly 2,500 claims for lump-sum benefits have already been certified in my State for workers who have reached 65 since January 1, 1937, and for the survivors of those who have died since that time. The total amount of these benefits already comes to about \$50,000. But this is only the preliminary. After 1942, practically every industrial and commercial wage earner in North Carolina, as in every other State in the Union, will receive a lifetime income when he reaches 65 and retires from regular employment.

North Carolina passed its unemployment compensation law in December 1936; and I am informed that, as of December 15, 1937, 422,000 North Carolina workers were in jobs covered by it. The number who, because of employment before or after that date, may also be covered is probably considerably higher. Benefits became payable last January under the North Carolina law, and by April 16 over 435,000 checks, representing total benefits of over \$2,000,000 had been issued to unemployed workers by our North Carolina Unemployment Compensation Commission. These benefits are paid out of our own State unemployment compensation fund, to which North Carolina employers have been contributing for the past 2 years. Today there is around \$10,000,000 in this trust fund. This money is on deposit in the United States Treasury, to be drawn on by the State at will, but only for the purpose of paying unemployment compensation benefits. The Federal Government pays the cost of administration, and North Carolina has already received over \$900,000 in Federal grants for this purpose.

North Carolina has been cooperating in public assistance under the Social Security Act for only 9 months. Whereas before that time it made no specific provision for aiding the aged or blind, today about 27,500 of its needy old folks are getting cash allowances and 1,830 of the blind are receiving similar payments. In addition, 19,000 dependent children are being helped. As against the 300 families with dependent children aided in January 1936, the 6,500 now receiving this assistance represent a twenty-two-fold increase. All this has been made possible because of Federal cooperation. Since July 1937, our first month of participation, North Carolina has received a total of \$1,689,400 for these three programs: \$1,190,000 for old-age assistance; \$159,000 for aid to the blind; \$340,400 for aid to dependent children. To these funds the State adds its own money, as stipulated in the act. In April its total assistance expenditures from combined Federal, State, and local funds comes to \$388,600, exclusive of administrative expense. For old-age assistance, it is spending \$258,500; for aid to the blind, \$26,100; for aid to dependent children, \$104,000.

Beside all this, we now have Federal funds to add to our own State money for public health, child welfare, and vocational rehabilitation. For the current fiscal year we have already received upward of \$400,000 in Federal grants for these purposes.

That is what the Social Security Act has enabled the State of North Carolina to do for its own people. Because the act is a State as well as a National program, the over-all picture for the entire country is simply a composite of 48 similar State pictures. These differ from the picture I have just given you of North Carolina, as conditions and needs vary from State to State. But they all add up to one conclusion: Federal cooperation has at last made it possible for each and every State to begin doing for its own people what it has long wanted to do—and could not do alone. It has recognized the right of each and every State to share in Nation-wide protection, as it shares in Nation-wide problems.

As I have already stated, I have before me detailed data on the progress of social security in every single State. And for the information of other Members of the House, I shall ask permission to include these in the record of my remarks. Meantime I should like to give you, very briefly, a summary of progress for the Nation as a whole. The best way to measure the results of any program is by making a before-and-after comparison.

For old-age insurance that comparison is brief and conclusive. Prior to January 1, 1937, when the present Federal system became effective under the terms of the Social Security Act, social insurance against insecurity in old age was nonexistent in this country. You may recall that preliminary estimates gaged the initial coverage under the proposed insurance plan at about 26,000,000 workers. These estimates were soon exceeded, and by the end of March 1938, 14 months after the plan became effective, a total of over 38,000,000 accounts have been set up, which is 3,000,000 more than it was estimated would be covered by 1980.

Monthly benefits, which constitute the major provision of this program, are scheduled to begin in 1942. These lifetime payments will be made to covered workers who have reached 65 and retired from regular employment, provided they meet a few simple requirements. The vast majority, both of those now in the system and of those who enter it in the future, will receive these regular payments for the rest of their lives. According to present estimates, about 175,000 will qualify for annuities under this system in 1942, and by 1950 some 1,680,000 retired workers will be drawing regular payments averaging \$21 a month. If an amendment proposed by the Social Security Board to credit earnings after age 65 should be enacted, about 1,282,000 would qualify for benefits in 1942; and in 1950 the total number of annuitants would be something like 2,205,000.

Supplementing this main provision, the act also provides for lump-sum payments. These go to covered workers who do not qualify for monthly benefits and to the estates of those who die before they have received the minimum amount to which they are entitled. These supplementary benefits became available as soon as the program was inaugurated, and such payments are being made in increasing number to those who have become 65 and to the estates of those who have died since January 1, 1937. By the end of March 1938, about 115,000 lump-sum payments had been made; and an average of 750 more claims are being examined and allowed every day.

In addition to the 38,000,000 workers' accounts set up, identification numbers have also been issued to some 3,000,000 employers. The record keeping required by this vast program is by far the largest job of its kind ever attempted by any organization, private or public. Utilizing and adapting mechanical equipment and methods developed for large-scale business procedures, the Social Security Board has placed this phase of its work on an efficiency basis which is a tribute to American business science and to Federal administrative skill.

Like old-age insurance, unemployment compensation was practically unknown in the United States prior to the passage of the act; for in spite of the fact that 180 unemployment compensation bills had been introduced into 28 State legislatures in the 20 years preceding the Federal Social Security Act only one State, Wisconsin, had succeeded in enacting a law for this purpose. Yet 23 months after the Social Security Act was passed every State in the Union—together with the District of Columbia, Hawaii, and Alaska—had enacted an unemployment compensation law and all 51 had been approved by the Social Security Board as conforming to Federal requirements. It is estimated that 19,000,000 workers were employed on December 15, 1937, in jobs covered by these State laws. Because of labor turn-over the total number of workers who have come under the unemployment system is probably 25 to 50 percent larger than this estimate.

Another milestone was passed in January of this year when unemployment benefits became payable in 21 States and the District of Columbia. In Wisconsin, which had begun operations under its law in 1934, benefits have been payable since July 1936. On April 1 two additional States began to accept claims for benefits. Approximately 11,200,000 wage earners—more than half the total covered by all State unemployment compensation provisions—are in the 25 States whose benefit payment programs are already in operation.

Benefits are paid by the States out of their own funds deposited in separate State accounts in the unemployment trust fund in the United States Treasury. At the end of March the total amount in this trust fund came to over \$753,000,000. Reports from the unemployment compensation administrators in these States show that approximately \$90,000,000 in benefit checks have already been issued to unemployed workers through March 30. These funds will, of course, fluctuate with additional deposits, interest accumulations, and periodic withdrawals by the States for benefit payments.

During the later months of 1937 the major concern of both State administrators and the Social Security Board has been the development of the organization and procedures necessary for the payment of benefits. Perhaps the most significant aspect of this development is the Nation-wide tie-up between public employment services and unemployment compensation administration. In all but two jurisdictions unemployment compensation and the public employment service are administered by the same State agency. This coordination of employment services with unemployment compensation is of advantage not only in promoting efficient administration but also in safeguarding the interests of workers, employers, and the public. It recognizes that paying benefits is only one side of the picture and that finding employment is even more important not only for the worker but for all interested parties. By offering an accessible and effective labor exchange it should help to prevent undue drains on State unemployment compensation funds.

Total Federal grants to the States for unemployment compensation administration from February 1936 to April 1938 came to over \$42,000,000. Of this amount, \$31,000,000 was for the expenses of State unemployment compensation agencies and \$11,000,000 for financing the unemployment compensation activities of State employment service.

A problem which has been emphasized by current business conditions relates to the States which were late in passing their unemployment compensation laws. The effective date of benefit payments is dependent upon the provision of the act that no benefits shall be paid until 2 years after the first day with respect to which contributions were required by the State law. Under this provision benefits are now payable in 25 States; they will become payable in 4 more States by or before September, in 20 during December 1938 or January 1939, and in the remaining 2 during the following July. An amendment to the Federal law has been proposed which would permit these States to advance the date of benefit payments. The experience of the States already paying benefits indicates, however, that it will take any State at least 6 months, after its plans are made, to secure adequate personnel and set up administrative machinery.

The advantages of making benefits payable as early as practicable are obvious. But unemployment compensation should not be expected to solve all the problems of unemployment or to meet all present and future need due to this cause. What it can do and what it is intended to do is to bridge the gap between jobs. It thus constitutes a first line of defense against relatively short unemployment—the most frequent emergency encountered by workers in ordinary times. As it achieves this purpose, it will to a great extent conserve the worker's buying power and alleviate the distress and want of families when wage earners are temporarily out of work.

Unlike these two social insurance programs, the three public assistance programs have a long past history. But in spite of a quarter century of State and local public welfare effort, up to 1934 we seemed to be getting nowhere rapidly. In 1934 more than three times as many old people and about two and one-half times as many dependent children were being cared for under the Federal emergency program as under all State and local laws for this purpose. During the next year the States made increasing provision for these forms of assistance; for with congressional consideration of the present plan, many States either passed new public assistance laws or refurbished old ones in anticipation of Federal grants.

Even so, the total number aided by States and their localities in January 1936, the last month before Federal funds became available, was about one-third of the total number being aided by Federal State cooperation today. In January 1936, 30 States gave assistance to some 433,600 needy old people. Today all the States but one are taking part in this provision of the act and are aiding over 1,600,000 old people. In January 1936, 122,000 families with dependent children received help under 39 State mothers' aid laws. Today 225,300 families with over half a million children are being helped in the 40 States cooperating with the Federal Government. Though increases in aid to the blind have been smallest, the number aided rose from about 35,200 to about 47,000 in this 2-year period, and whereas only 26 States were giving this kind of help in January 1936, 41 have approved plans today.

I have no interest in seeing assistance rolls boosted, and I would be the first to insist that there is no virtue in mere numbers. The point is that these people and others like them whom we probably have not yet reached are dependent, regardless of what we do or do not do about it? For very many of them, the public had already assumed the burden of support—in poorhouses and orphanages, through public relief and organized private charity. For most of the remainder—those who were previously supported by families themselves on the brink of destitution—I venture to say that the public has also paid the bill; for every time any family is compelled to jeopardize health and decency in order to provide for its dependent relatives, the chances of future dependency, delinquency and crime go up. One of the major purposes of effective public assistance programs—programs geared, as those of the States increasingly are, to rehabilitation and the conservation of wholesome family life—is to protect present and future generations from the destructive forces that have played upon them all too freely in the past.

Another purpose of a Federal-State public assistance program is to relieve towns and counties and States of a financial burden that had proved unbearable. In 1934 old-age assistance and aid to the blind were not being paid in a full third of the counties where there were State laws for this purpose, and mothers' aid was being given in less than half the local units where it was legally permissible under State law. It was left for county and town poor laws—and eventually for Federal emergency relief—to pick up the pieces as best they could.

Aiding these people—the aged, the blind, the fatherless family—is one of our most important, continuous, and expensive, as well as one of our oldest, welfare obligations. With the Federal Government now contributing approximately one-half the cost of aid to the old and blind and one-third of the expense for dependent children, this burden is more equitably shared. Federal grants for public assistance for the entire period since February 1936 totaled about \$355,000,000 as of April 5. Of this amount nearly \$306,500,000 was for old-age assistance, nearly \$10,500,000 for aid to the blind, and \$38,000,000 aid to dependent children.

The obligations upon combined Federal-State and local funds in the month of February came to nearly \$40,000,000 exclusive of administrative cost. This includes \$31,500,000 for old-age assistance, \$1,200,000 for aid to the blind, and \$7,300,000 for aid to dependent children.

But these are not new costs; one way or another, the public has always paid the bill. The inclusion of these provisions in the Social Security Act simply gives a more orderly, adequate, and economically sound method of handling it. The experience of States and communities during the past 2 years has repeatedly demonstrated what this means not only in extending aid to more of those who need it but also in providing better care and in the more effective use of the available funds.

When, for example, a county orphanage was recently closed—Boone County, Ind.—the local department of welfare took occasion to point out that this would not have been possible without the cooperation of the Federal Government and the State in aiding dependent children. Of the eight children in this county home—a run-down house on the poor

farm—five had relatives who could give them good homes, but could not support them unaided. With the cash allowances now available, these five are again living with their own people—a mother, a grandmother, a sister, an aunt, an uncle.

Of the three remaining, one who was found to be mentally ill, was sent to a State institution where he will receive more adequate care. The other two were orphans. One was placed with a family which plans to adopt her, and the other, an older boy, is in a good foster home on a farm. But the children were not the only ones to benefit. In 1936 the upkeep of this orphanage cost the local taxpayers \$3,680, and expensive repairs on the old house were necessary if it was to continue in use. The total expenditure of public money under the new arrangement is about \$900, of which the county pays about one-third, the remainder coming from Federal and State funds. All the children are immeasurably better off and the local financial burden is less than one-tenth of what it used to be.

Another State, Alabama, has closed 50 of its 63 almshouses during the past 2 years. One-third of their former inmates were transferred to hospitals because their physical or mental condition requires special care. The remaining two-thirds—whose only handicap is that they are old and destitute—are now receiving old-age assistance and can live out their lives in homes of their own choosing, among their families and friends. This movement away from the almshouse did not begin with the Social Security Act, but there can be no question that it has been greatly stimulated by it. Among the States that have closed poorhouses are Alabama, Connecticut, Delaware, Iowa, Minnesota, New York, Tennessee, and West Virginia. Others have reduced their almshouse population. The medieval idea that public institutions should be a catch-all for unfortunates of every description is rapidly becoming as obsolete in fact as it has always been in theory. Institutional care is necessary for some individuals. But at best it is extremely expensive, and at worst it is a menace to human life and a waste of public funds. The practical course—the course our States are now attempting to work out—is to provide cash assistance for the able-bodied and hospitalization for the infirm.

An adequate public-welfare program in any community must include services as well as cash assistance. And here again the Social Security Act has offered the States Federal help. For public health during the current fiscal year Congress has appropriated \$8,000,000 in Federal funds which the United States Health Service allocates to the States. How well this Federal aid is already fulfilling its intended function of stimulating States to an active realization of their health needs is shown by the fact that within the first 18 months after grants become available, the number of full-time county health services had increased by more than 50 percent.

For maternal and child-health services Congress has appropriated \$3,700,000 this year. The Federal Children's Bureau makes grants to all the States, which they are using, together with funds of their own, to safeguard the health of mothers and babies. Anyone who wants proof of how badly this service is needed has only to consider the statement recently issued by the President's committee to coordinate health and welfare activities to the effect that the maternal and infant death toll can be cut in half by more adequate medical and nursing care.

For services to crippled children Congress has appropriated \$2,800,000 this year and the 50 cooperating States and Territories have also made substantial contributions. Probably about six out of every thousand children in the country are crippled—something over 250,000 all told. Some 100,000 have already been registered in 38 States. One of the important services under this program is the locating of crippled children even in remote communities and bringing them in to centers where adequate treatment is available.

For child-welfare services the Federal appropriation for this year was \$1,475,000. With 49 States and Territories receiving Federal grants, better care is being provided for

homeless and neglected children and for those in danger of becoming delinquent. And again this service is being promoted particularly in rural communities where in the past these services have been least adequate.

Finally, Federal cooperation in rehabilitation services, initiated in 1920, has been put on a permanent basis under the Social Security Act. For grants for this purpose, \$1,800,000 has been appropriated for the current year. At the end of the last fiscal year some 43,000 handicapped workers were receiving vocational rehabilitation services in all the States but two, and 11,000 had already completed retraining. The State agencies also maintain close relationship with the State employment services in order to help handicapped workers find suitable jobs. It takes from \$300 to \$500 a year to support an unemployed disabled person, while vocational rehabilitation costs, on the average, slightly less than \$300. The social and economic advantages of helping these people get back on their own feet are obvious.

A student of American history has recently made the comment that our one most consistent characteristic is plain horse sense. Whatever changes have occurred in American Government have had one purpose and one only—to keep it close to facts, to make it better serve the welfare of the people. For that we fought a revolution against the absentee rule of a king. For that we wrote "life, liberty, and the pursuit of happiness" into our Constitution. And for that in our own time we have utilized our Government as an agency of mutual cooperation in order to provide these practical protections which none of us can secure alone.

For that reason, too, in the Social Security Act we have kept the administration of all these services close to the people. In accepting its responsibility in the field of social security, the Federal Government has made no attempt to take over administrative control. Old-age insurance, alone of all the provisions included in the Social Security Act, was placed upon a basis of direct Federal administration—and this only because of convincing proof that no other attack upon this particular problem was feasible. The nine remaining provisions were set up on the basis of Federal-State cooperation. And this was done in recognition of the fact that the States and their localities have as much responsibility for the common welfare as the Federal Government and can best adapt the program to the particular needs of the people.

That is how the act was deliberately planned, and that is how it is working today. It reserves to the States a very large measure of freedom as to the kind of plans for which they may secure Federal cooperation. And it places upon them the major responsibility for the effective administration of these plans. Thus the act provides specifically that the Federal Social Security Board shall have no jurisdiction over the selection, tenure of office, and compensation of either unemployment compensation or public assistance personnel within the States and their subdivisions. Further, the act is drawn in such a way that the State, rather than the Federal Government, determines who shall be eligible for insurance payments under the one program, and for assistance allowances under the others. Moreover, the Comptroller General has ruled that Federal grants, upon receipt by a State, become State money.

But the fact that a minimum of authority has been concentrated in Washington does not mean that Federal money is disbursed without proper safeguards. The act gives the Federal Government a double check upon State expenditures.

In the first place, the general framework within which all State plans are initially approved and thereafter operate, establishes minimum administrative standards. But to have expected State administrative machinery to function perfectly from the outset would have defeated the whole purpose of the Federal law. A start had to be made at the point where the States were in 1936—and in most States it could not be made without Federal funds. Moreover, these are continuing programs, and in any long pull more will be learned from day-to-day experience on the job than from any amount of advance theorizing. The Federal Government

has therefore taken the position that the cause will be better served by prompt action on its part and genuine cooperation than by strict construction and bureaucratic edict. The States have thus been deliberately assured of ample opportunity for variation in line with local needs, for the experimentation essential to sound evolution, and for growth on the basis of their own experience. Mistakes have, of course, been made in some States, but surveying their progress as a whole, I believe that this policy has been more than justified.

Moreover, in addition to these Nation-wide administrative standards, the Federal Government has a second safeguard. To protect its funds against improper State administration, the Social Security Board is empowered to withhold further payments whenever it finds that administration in a particular State does not conform substantially with any provision of the Federal act. Moreover, when grants to such a State are resumed, the amount of Federal money involved in improper State expenditures is deducted from its future allotments. In these early years such action has properly been taken only in cases of palpable inefficiency. But there can be no question that the Federal Government has both the legal power and the intention of fulfilling the full letter of its responsibility in these matters.

So much for what has been accomplished under the Social Security Act in the brief 26 months of its operation. The record speaks for itself. True, the States and their citizens have a long way to go before they realize the full potential benefits of the present program. But, in spite of the many problems that still confront us, more has been done in the past 2 years to advance the cause of security than in the preceding quarter century; and this fact is all the assurance I want, or any other reasonable man wants, that progress will continue.

It is no reflection on the present law to believe in and to work for its improvement. Indeed, in a long-term program of this nature, it is both natural and necessary to keep an eye on the future, as well as on the present; and I, for one, hope that we shall have free and full debate—both in Congress and out—on all the issues involved in the further development of social security.

Today—and probably for a long time to come—the problem about which people feel the greatest concern is that of old age. For one thing, it is becoming a personal and pressing problem to more people every day; for, while the chances of living to old age are increasing, the odds on remaining self-supporting work the other way. Not only the actual number but the proportion of old people is growing—from 1,000,000 over 65, representing 3 percent of the total population, in 1870, to 8,000,000, representing 6½ percent, today, and on to 16,000,000, or more, representing a full 15 percent, by 1970. Meantime, the number of older men without jobs began to increase as far back as 1890, and there seems no reason to expect the trend of the past half century to be reversed in the next. This problem acutely concerns those who are now old. Over a million and a half of them are dependent on public assistance; many others are undoubtedly now in need; and still others will probably reach the end of their resources before they reach the end of life. But it concerns almost equally those who are now young and middle-aged. They are the old people of the future, and without old-age insurance their prospects would look dark indeed. There is no sense in belittling the seriousness of this problem or quibbling about public responsibility in meeting it. The question at issue is no longer whether our Government shall help its people safeguard old-age security. That was answered by the Supreme Court on May 24, 1937. The only remaining questions are those of method and of sound public economy.

Our present method is to break down the problem and attack it at as many points as possible. Every social measure undertaken by this administration—to ease the impact of unemployment, to promote a sounder agricultural economy, to safeguard savings and homes, to protect the public health, to conserve family life—may properly be said to

better the people's chance of a self-respecting, self-sufficient old age. But this is not enough—not in our high-powered, mass-industry world. Experience has repeatedly proved that for the vast majority there is no longer any assurance that single-handed effort will bring the desired results. Of all the covered workers who have died since the Federal old-age insurance program went into effect last year, over half left not one penny beyond the lump-sum benefit to which their brief participation in this system entitled them.

The Social Security Act undertakes to meet the problem by a twofold method. First, through old-age insurance, which pools the risk on a Nation-wide base, which spreads the cost widely both in time and among the people, which gives its participants the right to an old-age income geared to individual thrift and industry.

But admittedly even this is not enough to meet the immediate problem. There still remains a noninsurable risk. Millions of people are already old and destitute. And even in the future when, as we hope and believe, old-age insurance will be extended to cover practically our entire wage-earning population, some will find themselves without sufficient resources for their declining years. To protect the basic essentials of decency and health for such as these, we have also organized our Federal-State old-age assistance plans, usually referred to as State old-age pensions.

There are, of course, other conceivable methods by which a people may safeguard their old age. The present plan is no more infallible than any other human effort to come to terms with the bitter necessities of life. But in weighing any possible alternative, there are a few questions that we should not fail to consider: Does it square with the twin American ideals of individual thrift and industry, on the one hand, and of social responsibility for the unfortunate, on the other? Does it offer the aged their just share of protection without imposing unjust burdens upon everyone else?

I believe that these questions can be answered with a clear affirmative for the old-age provisions of the Social Security Act. Old-age insurance is based squarely upon individual earnings and employment. What a man gets in old age under this system is his by right of his direct, personal contribution to the national economy. Old-age assistance is based squarely upon the principle of social responsibility for the destitute. What an individual receives under this program is his by virtue of our recognition that needy old age has a claim upon us all.

The cost of this twofold program is high. But the cost of any other course is likely to prove higher still. For example, in its report, the Committee on Economic Security made the following statement:

If an income of only \$25 were to be allowed to all of the people of 65 years and over, the cost would represent a claim upon current national production of \$2,000,000,000 per year. Regardless of what may be done to improve their condition—

The report concludes—

this cost of supporting the aged will continue to increase. In another generation it will be at least double the present total.

Make the assumed payment higher, and by a process of simple arithmetic you will soon find yourself dealing in totals of truly astronomical proportions. The question here is not whether the old folks could make good use of the money, or even whether we would like to be able to guarantee a flat basic income to everyone by virtue of his age and citizenship.

The real questions are: First, by what taxes could we conceivably raise a sum, which might reach twenty to twenty-five billions of dollars annually, for this purpose alone? And, second, even if we could raise the money, would it be fair to give a small minority of the people the lion's share of the Nation's wealth? As to the first question, impartial students of taxation, in Congress and out, are convinced that no tax magic exists whereby an annual yield approximating nearly one-third to one-half of the present total national income can be realized—or anything approaching it. As to the second, no expert testimony is necessary to demonstrate the inequity of giving a small fraction

of our people so disproportionate a share of the Nation's income.

No; the hard-headed American workingman realizes that he has yet to find a better means of protection for his old age. Old-age insurance, which provides for small regular contributions by the worker and his employer spread over the entire productive life of each individual worker, and which bases the amount of benefits on individual earnings, is practical and it is American.

But there are some who, while not openly disputing the old-age insurance principle, still criticize its practice under the present law. Their criticisms are directed against the method of handling social-security funds. Congress has followed the policy of appropriating to the Federal old-age reserve account sums estimated to be about equal to the amounts collected as taxes under title VIII of the Social Security Act, less necessary administrative expenses. Up to the end of February \$575,812,303 had been collected in such taxes and \$595,100,000 had already been invested in 3-percent special Treasury notes. That is, the investment in the reserve account was by that date some \$20,000,000 more than the total tax collections under title VIII. There can, therefore, be no question that these operations have followed both the letter and the spirit of the law in every respect.

It appears, however, that compliance with the law is not enough for these critics. They do not like the law itself. They are concerned because it directs the Treasury to invest these funds in United States Government obligations. And they seem to feel that the money would be what they call safer if the Treasury hid the currency under the mattress or buried it in an old iron pot. If this strange idea were actually followed, there might then be some point in the contention that social-security taxes take money out of circulation.

Any question of the practice of investing these funds in United States Government obligations demonstrates a complete misunderstanding of principles which are as basic in private as in public finance. It assumes that such investment is a useless, uneconomic legal fiction which would be frowned upon by private business. Actually, of course, this procedure is precisely that which every sound private financial institution follows. And the fact that this investment leads to the legitimate use of these funds by the Government is exactly like the legitimate use by a savings bank of the funds deposited with it.

To call the Government obligations in the reserve account mere I O U's or paper promises is utterly unfair and misleading. The same thing could be said about every bank deposit, every insurance policy, every security investment in existence. Yet the people who cry "wolf" loudest about the old-age reserve account are the very ones who profess the greatest confidence in the investment policies of private business.

Morever, if investment in Government obligations is as unsound as critics of the old-age reserve contend, it is hard to see why banks, insurance companies, and other large corporations all put much of their reserves in United States Treasury bonds. For if the obligations held by the old-age reserve fund are scraps of paper, then by the same token the Government investments purchased by these private businesses are worthless. Actually, of course, conservative private institutions put their creditors' money into Government obligations because they know it is the safest investment they can possibly make. And current practice with regard to the reserve simply follows their precedent.

Perhaps this mare's-nest of misunderstanding would not have been stirred up if there were not a current deficit in the present Government Budget. But since the appropriations to the old-age reserve account have been greater than the actual tax collections under title VIII of the Social Security Act, there are no grounds whatsoever for implying that these taxes have been used to disguise or conceal the deficit. It is true, of course, that if the Social Security Act had not been in operation, the Government would have been

obliged to sell more bonds on the open market; and that, instead of doing so, it has now issued obligations to the credit of the old-age reserve account. But the only effect of this procedure is to make the millions of workers with social-security accounts the holders of Government obligations which would otherwise have been bought up eagerly by insurance companies, savings banks, and other large investors.

I shall not attempt at this time to discuss further the fundamentals of old-age security. Admittedly there are other conceivable methods of financing it, each with its particular advantages and disadvantages. These pros and cons can be weighed only as they affect the total program. But regardless of method, the basic issue is the integrity and intelligence of our Government. For when all is said and done, if the United States Government is not safe, then no form of social security is safe.

There is just one final point about the present old-age insurance program that I want to emphasize. And this is the fact that it is fair and equitable to the worker and to the general taxpayer. Every covered worker gets back his contribution with an allowance for interest. And the majority, in their monthly payments, will get back a great deal more. Specifically, every worker—regardless of his wage or length of service—is assured of a larger monthly retirement payment than he could buy from any private insurance company with an amount equal to what he himself has contributed to this plan.

From time to time there seems to have been an attempt in some quarters to convince the wage earner that he is paying more for this protection than it is worth. That attempt has not succeeded. It has not succeeded because the plain facts are self-evident. There have been other unsuccessful attempts to discredit the old-age insurance system.

First, we were told that getting workers to apply for social-security account numbers was an impossible task. That impossible task was undertaken jointly by the Social Security Board and the Post Office Department, and to date over 38,000,000 workers have had accounts set up for them.

Later, we were told that workers might do their part, but that employers would not, and that the Government could not do theirs—that employers would not make the report required by law; and that, even if they did, no Government agency was capable of keeping these millions of individual, cumulative wage records. Well, employers have been reporting for nearly a year. And the Baltimore operations office of the Social Security Board not only has all its millions of records set up, but is already posting wage reports to the accounts of workers in every State.

Finally, we were told that the whole idea was unconstitutional. The voice of the opposition has not been stilled even by the decision of the Supreme Court upholding the full intent and method of this law. But since May of last year it has become less strident. By now the American people have taken the measure of the social-security opposition. They know that these contentions are but straw men—trumped up by those who for diverse reasons are unwilling to see the social-security program succeed. One after another in the brief history of social security in America we have seen them fall—the straw man of noncompliance; the straw man of inefficiency; the straw man of unconstitutionality; and the straw man of mishandling the worker's money.

No doubt other straw men will be reared in future. But they also will fall. They will fall because the accomplishments of the social-security program constitute a complete refutation. This Congress has a right to be proud of its handiwork. Again I urge that you refer to the complete record of my remarks which shows the accomplishments State by State so that each one of you may see for yourself the great benefits which your State has derived.

The American people will not be easily persuaded that a program which, in spite of obstacles and opposition, has stood and is standing the test of actual operation is theoretically unsound. This is not to say that the Social Security

Act is perfect or that it will never need to be amended. In its early days before Congress, on April 11, 1935, I said in this House—

We do not claim it to be a perfect measure nor one that will not require amendment from time to time in the light of experience.

And I repeat the same today. But in repeating it, I lay all the emphasis at my command on the last five words. It is in the light of experience that the Social Security Act must be—and will be—developed from this point on.

Thomas Jefferson once declared that "A year of experience in government is worth a century of book reading." We have now had more than 2 years' experience in Government social-security activity—2 years which are worth two centuries of impractical theorizing and wishful thinking. Social security will go forward in the United States. There is absolutely no doubt of that. But its progress will be enduring only as it is in line with our experience and with our financial capacity.

Those of us who have devoted the best part of our lives to the service of this country have no illusions that we or any Congress which succeeds us can legislate for Utopia. But we are fully aware of our obligation to see that Federal legislation keeps pace with the Nation's needs. In the words of Mr. Justice Cardozo:

Congress did not improvise a judgment when it found that the award of old-age benefits would be conducive to the general welfare. * * * Nor is the concept of the general welfare static. * * * What is critical or urgent changes with the times and cannot be known through a formula in advance of the event.

This great opinion goes on in unequivocal terms to state that in determining the scope and method of social legislation discretion is lodged with Congress—not with the courts or any other body but with the Members of this House and their colleagues across the Capitol. I have no doubt that Congress will continue to discharge this paramount obligation with the practical wisdom and the farseeing vision which has marked its course in the past, and especially during the last 3 years.

Mr. ENGEL. Mr. Chairman, I yield such time as he may desire to the gentleman from Wisconsin [Mr. HULL].

Mr. HULL. Mr. Chairman, the Farmers Equity Union is one of the best and strongest farm organizations in the Northwest. It is an educational organization, and also through its activities there have been numerous cooperative enterprises organized which have been of great material benefit to the farmers.

The members of the Farmers Equity Union have a live interest in all public questions. At a county convention of the Farmers Equity Union recently held at Chippewa Falls, Wis., the following resolutions regarding matters of great moment to the farmers were adopted. I would like to have these resolutions extended in the Record, as follows:

Whereas the ever-increasing imports of agricultural products under the reciprocal-trade agreements are having a disastrous effect upon American agriculture; and

Whereas the benefits of past and present farm-benefit programs are being far outweighed by these ever-increasing imports produced by cheap foreign labor; and

Whereas the exports of industrial products have increased, at the expense of increased agricultural imports: Therefore be it

Resolved, by the delegates of the Chippewa County Farmers Equity Union, Wisconsin Division, in convention assembled this 26th day of March 1938, request our State board of directors and the Northwest legislative committee to use all possible influence to have these unfair practices stopped; and be it further

Resolved, That a copy of this resolution be printed in the Farmers Equity Union News and the Farmers Union Herald, and that copies be sent to the Honorable Cordell Hull, Hon. Henry A. Wallace, all Wisconsin Senators and Representatives, with a special request that Hon. MERLIN HULL insert same in the CONGRESSIONAL RECORD.

CHIPPEWA COUNTY FARMERS EQUITY UNION,
JOHN MELVILLE, Secretary.

Whereas the citizens of this country are being sold into overwhelming indebtedness by the method of selling tax-free interest-bearing Government bonds to the private money lenders of the country for all Government appropriations over and above the amount raised by taxation: So, therefore, be it

Resolved, That we let our legislative committee and Congressmen and Senators be informed of the fact that we demand that the power to coin and regulate money be returned to Congress where it belongs.

CHIPPEWA COUNTY FARMERS EQUITY UNION,
JOHN MELVILLE, Secretary.

Whereas the war problem is becoming more and more serious and may mean giving up our young men to protect home capital in foreign lands: Therefore be it

Resolved, by the delegates of the Chippewa County Farmers Equity Union, in convention assembled this 26th day of March 1938, as opposed to sending any help to fight foreign wars.

CHIPPEWA COUNTY FARMERS EQUITY UNION,
JOHN MELVILLE, Secretary.

Mr. ENGEL. Mr. Chairman, I yield 20 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Chairman, the President of the United States has submitted to Congress a proposal for enormous spending of public funds, as follows: An additional \$1,250,000,000 for W. P. A., and other items totaling \$2,062,000,000, and loans of one kind or another, which the Treasury would not expect to be paid back in full, totaling \$1,450,000,000, a total additional program of spending amounting to \$3,450,000,000, on top of \$1,500,000,000 lending program and enormous highways, public buildings, and departmental expenditures of the Government for the fiscal year ending June 30, 1939, up to the enormous total of \$12,500,000,000.

The other analyses which have been submitted are short \$1,000,000,000 because the figures submitted only cover the carrying of W. P. A. for the period to February 1, 1939, and we must add \$1,000,000,000 for that to any figures which have previously been submitted.

With the customs receipts for this month running about 50 percent of last year and the certainty that individual and corporate incomes will be sharply curtailed for the 1938 calendar year, we cannot expect governmental revenues to run more than \$4,500,000,000 as a result of the Roosevelt depression. And a good part of what income the Government will receive will come from taxes on pay rolls and the pay envelopes of those who work in the factories and shops and on the railroads. This means a Federal deficit in that period of approximately \$8,000,000,000.

With the release of gold from the general fund of the Treasury there has already been an addition of gold certificates outstanding in the sum of \$1,400,000,000. Reports of the Treasury's purchase of paper for the printing of currency raises the prospect that the administration is preparing to issue the entire \$3,000,000,000 of greenbacks authorized by the vicious Thomas inflation amendment. This will wipe out the entire cushion of \$4,400,000,000 of Federal Reserve notes in circulation and unquestionably will result in inflation. That means a destruction of the Government's credit, a reduction in the price of Government bonds, a lowering of the purchasing power of the wage of the workingman, and the complete stagnation of industry. Everyone will have to pay more for everything they buy and because of the vicious tax bill, the vicious Labor Board, and the irresponsible method of handling Government business, the opportunity for private employment will be gone. Because of these things, inflation cannot have the effect it had in 1933 and 1934, of stimulating business, but it will just create more and more distress.

We are approaching a new low point in industrial and private employment, due almost entirely to the President's foolish legislation and his failure entirely to grasp the economic principles upon which the prosperity of the country and employment by private industry can be brought about.

He has promised social security. He has promised that the one-third of the population which, in his opinion, was ill-housed, ill-clothed, and ill-fed, should be given an opportunity to live like the other two-thirds of the population. Yet he complains about overproduction. The two simply do not go together.

What actually happened? The actual result is that farm incomes have dropped off because of the tremendous drop in

prices of farm products. The employment of our people has dropped—and dropped off much more rapidly than ever before—because of the tremendous taxes which the President has imposed upon the people and the fear he has generated throughout the land.

I know of one small employer of labor who has been forced because of the unemployment-insurance taxes that he has had to pay to lay off for the period from May 1 to November 1 from two to three employees whom he formerly has been keeping on all through the dull summer months. The unemployment-insurance taxes alone which he has had to pay upon his workers are much more than the saving which he will make by laying off these men. In other words, the employer, to avoid bankruptcy, has had to throw entirely out of work a group of people who are bound to be on relief most of the time—a group of people he would be able, and would like, to keep employed if his financial resources permitted.

Mr. SNELL. Mr. Chairman, will the gentleman yield for a question?

Mr. TABER. I yield to the gentleman from New York.

Mr. SNELL. As long as the gentleman is speaking on the relief issue I wonder if the gentleman read in the paper this morning the statement by one of the anonymous secretaries of the President, his son James, that he is going to cure all the economic evils, and his cure will be received with some surprise and suspense by the people of the country. He states the only thing to do is to put more men on relief and spend more money, and it will be easier to balance the Budget.

Mr. TABER. Of course, if the object of the administration is to put more people on relief and to have more people on relief, it will have accomplished that object, but what that has to do with balancing the Budget I do not just see. It probably is true that the only thing the administration likes is to put people on relief.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Minnesota.

Mr. KNUTSON. I do not believe that statement is quite accurate. I have noticed the tendency on the part of the New Dealers is to use the Marine Corps for relieving unemployment.

Mr. TABER. They have used that to a certain extent, in just a family way.

Mr. KNUTSON. Does the gentleman believe it has been used to its fullest possibilities?

Mr. TABER. Probably not. I presume we will hear of a lot more just such operations later on.

Mr. KNUTSON. May I suggest to the gentleman that when the New Dealers ask for more appropriations before the gentleman's committee that the gentleman suggest this new outlet that has been recently discovered.

Mr. TABER. That might solve the problem.

Mr. JENKINS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Ohio.

Mr. JENKINS of Ohio. Not facetiously, but in earnest, may I ask if the gentleman intends before he finishes his remarks to tell us just how this relief measure will come before us? If the gentleman has time, I wish he would take the time to tell us that. I see in the papers what they propose to do, but since the gentleman is such an outstanding member of the Committee on Appropriations, I should like to ask if he knows how the bill will come before us, and if he knows, will he tell us?

Mr. TABER. The minority members have not yet been consulted on how it is proposed to bring out the bill. I presume they will study the question of the kind of dose in which they can get the House to take the bill. If the House can take a big dose they will probably give it all to the House at once, just in order to get the thing through. They do not care anything at all about its merits.

Mr. JENKINS of Ohio. The chances are, then, they will throw some popular proposals in with the unpopular ones in the hope they will get the unpopular features passed?

Mr. TABER. That is about the size of it.

The Farm Security Administration and the P. W. A., at a gigantic cost but with comparatively few projects completed, have undertaken to build structures to house certain groups of people in the low-income brackets. With the poor architectural work which has generally been the result, the projects have almost always been a failure and have not accomplished very much in the line of providing better housing. Nothing has been contributed to a long-range solution of our housing problem. Even now the Farm Security Administration and the P. W. A. have people snooping around trying to build these enormous lay-outs where they are not needed and where they are a menace to privately owned and privately operated houses of good quality.

We have the National Labor Relations Act, and the Board that has been established under it has spent its time stirring up and agitating labor trouble and supporting one particular union—the C. I. O.—as against all other unions and organizations of employees. Only last Saturday, when an A. F. of L. union won a vote in a plant in Carrollton, Ohio, the Labor Board set aside the election because the C. I. O. did not win. Without the reconstruction of this Labor Board along lines of sanity and common sense and fairness, there is absolutely no opportunity for the employers of this country to provide suitable and adequate employment for our people. Conditions are promoted by the Labor Board which make it absolutely impossible for the employer to operate at a profit, and do not result in any benefit to the worker, because in the end he will be deprived of his job through the closing down of the factory. No one objects to an honest, fair Labor Board; but such a Board must be fair and must aim to be fair between employer and employee and between different unions or organizations of employees and between employees who are not organized at all and those who are organized.

Pump priming, which has for 5 years proved a failure, is now demanded again by the Chief Executive. What does this program contemplate?

It will continue W. P. A., the most incompetent form of relief, down to February 1, 1939, on about the same basis that they are running now. It will establish a billion dollars in the hands of the P. W. A. under the direction of the intolerant Harold Ickes, to make grants and loans for the construction of local buildings and projects which the local communities cannot afford themselves. Entirely overlooked is the huge tax burden this program will place on the local communities in the future as a result of the cost of maintaining and servicing these projects when completed.

No employment can possibly result from any of these activities in less than 6 months, and no substantial employment in less than 9 or 10 months. Already now, with the funds appropriated last year after the P. W. A. had announced to people steadily for over 6 months that it had no more funds available for grants or loans, it has begun to make grants and loans throughout the United States, right on the eve of taking up this fake relief bill. Of course, the purpose is to influence Members of the House and Senate to support this racketeering program.

It adds \$300,000,000 to the amount to be loaned by the United States Housing Authority to local communities which cannot result in construction in less than 6 months.

Why, the United States Housing Authority has spent more than 7 months trying to organize itself and although it has had \$100,000,000 available since September 1 last, it has yet to commence actual construction of a single project.

The loans by the R. F. C. to small business are not half as effective as local loans by banks, and very few such loans will be made, because the small industries and small businesses cannot provide the security which the R. F. C. will require. But over and beyond that, there can be no effect from the program in the line of putting people to work in private business because of the tremendous taxes which have been placed on business and the operations of the National Labor Relations Board and the constant, overhanging threat of dangerous inflation. So many people have been forced out of business because of the reactionary measures which

have been adopted, because of the operations of the Government in losing our export market for agricultural products and destroying the opportunity for private employment, that nothing short of an intelligent, constructive program can produce any results at this time.

I propose as a recovery program:

First. Amendment of the National Labor Relations Act along lines that will promote harmony instead of discord between employee groups and employers. Inasmuch as that cannot be done without a two-thirds vote of both Houses of Congress—because Mr. Roosevelt would veto such a bill—I suggest the adoption of a concurrent resolution wiping out all appropriations for this Board after July 1, 1938, as a change in the Independent Offices Act, which is now in disagreement between the two Houses of Congress. Later on, honest legislation, providing for a fair labor board, with fair duties and powers, can be provided, after the destructive Labor Board which is now such a menace to the country is wiped out.

Second. Passage of the tax bill now in disagreement between the House and Senate, with the provisions of the Senate relating to the capital-gains tax and the undistributed-profits tax inserted, and some fair rate of taxation upon corporation earnings, so that people will have some security in going into business and creating employment for our idle workers.

Third. Repeal of the dangerous "greenback law," which provides for inflation.

Fourth. I would suggest an attempt to recover our export market for agricultural products by giving opportunity for the export of cotton, wheat, pork, and beef, along constructive lines for the purpose of getting rid of our surplus instead of trying to curtail our production.

Fifth. I suggest that the relief problem be returned to the localities to handle, with a required contribution of at least 25 percent on the part of the localities under provisions where the localities will have an opportunity to say what they want to do and how they want to do it to meet their own problems. Get rid of the W. P. A. and P. W. A., the Housing Authority, the Farm Security Administration, and all of the other rackets which have done so much to prevent the employment of our people and have proved so costly.

Sixth. Appropriate only what is needed, without fangles. This will permit us to balance the Federal Budget, restore confidence, and put our people to work in private industry.

We have found from sad experience in the last 5 years that the social security of our people—except New Deal jobholders—has not been promoted by the expenditure of approximately \$16,000,000,000 on boondoggling, relief programs, and similar activities. Now we know that when we are all through we are just that much worse off. Let us turn away from the path of proven failure and attempt to solve our problems by giving industry an opportunity to put its people to work by promoting, rather than curtailing, the opportunity for the employment of our people in private enterprise.

I hope that the membership of this House will approach this problem with the idea of advancing their country's interest, and maintaining the freedom of our people and giving them an opportunity to establish themselves and their families on solid ground instead of shifting sands. Let us stand firm against making more acute the depression by the appropriation of fabulous sums for the purpose of gratifying the spite and the spleen of the Chief Executive and promoting his plan to defeat those who have had the courage to oppose him. Some of my Democratic friends may, too late, awake to the fact that instead of priming the pump, the Chief Executive proposes to pump the primaries.

Instead of continuing the destructive proposals of the President let us turn our eyes toward a constructive program which will rejuvenate business and industry, give our people a chance to work, and bring about a lasting economic recovery. Let us meet our responsibility to the people and stop playing politics with relief.

The adoption of what I have proposed would get rid of the fear that depresses all our people, of high and low degree—a fear which now paralyzes business and trading and

has brought about in many substantial industries the lowest rate of employment in the history of the country. The program that I have suggested will start the wheels of progress, give employment to our people, provide a market for our agricultural, manufacturing, and mining industries.

We have never had a surplus of production in this country. We have had, many times, a shortage in consumption because the people did not have the money with which to buy. Demand for goods, the employment of our people, and a proper restoration of the export market will solve our problems. [Applause.]

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Minnesota.

Mr. KNUTSON. The letters I am receiving seem to indicate the idea is prevalent among the people of the country that one of the purposes of this new spending urge is to make the country safe for the New Dealers. Does the gentleman believe there is any foundation for that belief?

Mr. TABER. I believe that is the primary object of the program.

[Here the gavel fell.]

Mr. ENGEL. Mr. Chairman, I yield 15 minutes to the gentleman from North Dakota [Mr. BURDICK].

Mr. BURDICK. Mr. Chairman, this being the only committee of which I am the ranking member, I believe it would be amiss if I did not speak on this occasion.

We are now considering a bill that provides work for people, and generally, I may say to the members of the Committee, I believe this is a well-considered bill in that direction. I am going to support this bill as it comes from the committee.

At this particular moment we are faced with the fact that approximately 13,500,000 people are out of jobs in this country. They want jobs but cannot get them. I do not have any too much sympathy for those who say private business will employ all these millions if it is left alone, because the fact has been presented to this Congress on more than one occasion that if business had its own way it would be unable to employ more than 3,000,000 of those who are out of jobs. If that is true—and if it is not true somebody ought to dispute it, either in the committee or on the floor of the House—what are we going to do with the other millions who are out of employment?

As I see the situation, regardless of any political consequences in any direction, a new duty has devolved upon this Nation and upon this Congress, and this is to provide work when private enterprise has so dismally failed to take up the slack. Consequently, any bill that comes before this Congress with a well-thought-out program of work is going to have my support.

Those who say our monetary system would correct the evils if we would extend credit do not really understand what there is to the subject of the monetary policy of this country. To extend credit—that on its face condemns the program. You cannot extend credit to anyone under our present system of finance unless that person has something to offer as security. We have 65,000,000 people in this country who can offer no security, and although they have the greatest assets in the world, muscular power and brain power, really the latent capital of the entire country, they cannot get credit. Therefore, if you put through a program to extend credit in this country you are making the situation worse because you give the credit to the top. The only people who can get credit are those who have accumulated some property. Our job is to take care of the 65,000,000 people who are at the bottom of the heap and cannot participate in a program of recovery under a plan of lending money. We must put this money in the hands of the people at the bottom, who will spend it. You can pick out any number of plans in this Congress that are headed in that direction.

Let me say to you that as little as I know about legislation and as little as the experience I have had has been, it was only about a year ago I had the temerity to suggest to this House that if the Federal Reserve Board put through its program of raising the reserve requirements we would have

another panic. This statement was made on the floor of the House not only by myself but by the gentleman from Minnesota [Mr. BUCKLER] in a speech calling attention to the fact that the Federal Reserve Board had raised the requirements 100 percent. Since that day you have seen the prediction that was made by the gentleman from Minnesota come true.

Mr. FORD of California. Mr. Chairman, will the gentleman yield?

Mr. BURDICK. I yield.

Mr. FORD of California. Does the gentleman know that at the time they raised the requirements and after they raised them there was still in excess of \$1,000,000,000 of excess reserves that could be drawn on?

Mr. BURDICK. I do not know what the figures show, but I do know that if you require the banking system of the country to keep on hand a 100-percent increase in reserves, that automatically shuts off the power to lend that money.

Mr. FORD of California. Mr. Chairman, will the gentleman yield again?

Mr. BURDICK. I yield.

Mr. FORD of California. Does the gentleman know there is a school of philosophy in this country that wants all bank reserves to be at 100 percent?

Mr. BURDICK. I understand that is true, yes, and there is a bill before this very Congress embodying that principle.

Mr. FORD of California. And the gentleman states that the raising of these requirements by the Federal Reserve Board was the occasion for this depression?

Mr. BURDICK. That was the immediate cause.

Mr. FORD of California. That would have been true if there has not been in excess of \$1,000,000,000 of excess reserve after the lowering of requirements, and a funny thing about this so-called depression is that there has not been a single bank "busted" during the period of the depression. Has the gentleman ever thought of that?

Mr. BURDICK. Yes, I have thought of it, and it is not true. [Laughter.]

Mr. FORD of California. It is true. Name the bank.

Mr. BURDICK. Twenty-two of them in the Northwest. And without the United States guaranty of deposits half of them would be in serious difficulty.

Mr. FORD of California. There have not been 1,060 of them in a week.

Mr. BURDICK. North Dakota has contributed its share, and the Comptroller of the Currency will give you a list of banks which are either closed or ordered to be closed since December 1937.

Mr. BUCKLER of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. BURDICK. I yield.

Mr. BUCKLER of Minnesota. I agree with what the gentleman from North Dakota is saying, and just about a year ago I remember on this floor when the gentleman who is now speaking called the attention of the Congress to the acts of the Federal Reserve banks, and I also made a speech on the floor here calling attention to what would happen when the Federal Reserve banks raised the reserves of these banks, stating that we were headed for another panic. Very few people in this Congress paid any attention, I am sure, to what I said, but the statement is in the RECORD. I made the statement we were headed for another panic. No one thought then we were headed for another panic, but we went into another one, and we will go into another panic whenever we take credit out of circulation in the country. I am glad the gentleman from North Dakota is bringing this to our attention because that caused the panic, and nothing else, and the only way you can get out of this panic is to put some extra money in circulation, as the President is proposing to do at this time. They have recognized the fact that this did cause the panic, because the Federal Reserve bank has taken down the reserves to a certain extent, but I claim they have not reduced them enough yet.

Mr. BURDICK. I want to thank the gentleman from Minnesota for his contribution. I agree with him that no-

body paid any attention either to the gentleman or to myself at that time, and I doubt if they are going to do so now.

Mr. BUCKLER of Minnesota. I agree with you. [Laughter.]

Mr. BURDICK. I want now to give you some concrete facts with reference to the situation in the area from which I come. Between the years 1930 and 1935, due entirely to our financial policy, not chargeable to the Democrats but chargeable to every party that has had control of it since 1860, and due to the drought, there has been a decrease of 399,000 acres of the area harvested between the years 1930 and 1935.

Sixty-five percent of all the farmers in the area cannot pay their taxes. There has been a decrease of 50 percent in all livestock in the area between 1930 and 1936.

Of a total population in this area surrounding the Public Works program, which I am going to present to you, of 19,000 people, 15,000 of them have been on relief, and I presume are there yet.

Now, through the program proposed by this Congress to plan work, which evidently private business cannot do, an area along the Missouri River can be irrigated at a cost of \$62 per acre. The greater portion of the people living in that section of the country will not only get off of relief but they will furnish food for the entire country, provided this Congress plans ahead and makes arrangements by which these people can help themselves.

I am only sorry that under the rules and regulations of this House an appropriation for this venture cannot be presented in the present bill, but it will be presented when the last deficiency appropriation bill comes before this Congress. Let me tell you the difference between irrigated land in the arid West and land across the road that is not irrigated. There is a difference of \$18 an acre income, so if we amortize the money this Government puts in on a period of 40 years, during those 40 years a farmer would have to pay only \$3.72 per acre for the use of this water, and at the same time he will extinguish the debt, and you are not giving us anything. You are just giving us a chance to help ourselves, and not only get off relief, but to get everybody else off relief. I understand what some of the eastern Members think. They think that if we cannot live out there in the West, we ought to move out. We are not moving out, however. We went there over half a century ago, and we built our institutions and reared our children there, and we have our churches and schools and railroads and roads there, and for 50 years we have never asked help from anyone, and we are not moving out. We are asking this Congress to give us a chance to help ourselves, and whenever a bill of this character comes before the Congress, it is a planned-work program. We must do something in this country to put these millions to work, and any time the Congress or the President or a committee will come before this House with a program that is sound and lasting and will help the people, we are going to be the kind of Representatives from my section of the country that will not raise any protest against any plan of the President or of Congress to put the program into execution.

Gentlemen will remember that a year ago in this Congress when we were making appropriations for relief, I submitted an amendment on the floor of the House to raise the \$1,500,000,000 figure to \$4,000,000,000, and how the Members of this Congress laughed. One of them asked me whether I had offered the amendment in order to get a chance to talk for 5 minutes. I said "no"; that I had offered it because I believed it to be warranted, I did not believe that a billion dollars would do the job. Now, several months later, everybody is convinced—I will not say everyone, but a great many Members of this Congress are convinced that the President is not asking for too much at all. A governmental duty falls upon this Congress. Are we going to sit here and let 13,000,000 people go without employment if we can give them employment? Are you going to let your party or your faction stand in the road of giving us relief? I do not think the Congress is made up of that kind of men. We are going to stay here until we do the job. The people

do not care who is in control of this Congress, whether Democrats or Republicans. What they want is somebody to represent them and meet the facts, as we find them to be, and that is my position. As I said before I am opposed by Republicans in my State. I have to fight them before I can get on the ticket, and after I get that job done, if I ever do, I have to oppose the Democrats. They are hungry for a job, too. We have not got enough Democrats in the State hardly to fill the post offices, but there seems to be an awful lot of them at election time, because those that are defeated in the primaries on the Republican ticket turn and go with the Democrats in the fall election. So I have not any chance of coming back here to this Congress anyway. I never had a chance of getting here in the first place. I never had anybody with me in North Dakota except the voters.

Mr. HOFFMAN. Is not that enough? That is all any of us want.

Mr. BURDICK. So while I am here, I want to represent those people.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. BURDICK. For a question.

Mr. HOFFMAN. The gentleman is not asking any more for his people than has been given in the East, is he?

Mr. BURDICK. Oh, I never have objected to that.

Mr. HOFFMAN. But the gentleman is not asking any more.

Mr. BURDICK. Oh, no, the gentleman is right.

The CHAIRMAN. The time of the gentleman from North Dakota has expired.

Mr. BURDICK. I will finish this speech by extending my remarks, and I want to thank the gentleman from New Jersey [Mr. POWERS] for giving me this time. [Applause.]

Mr. ENGEL. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania, Mr. RICH.

Mr. RICH. Mr. Chairman, we are considering the war appropriation bill for nonmilitary items, asking for \$197,000,000 plus. Let us see what the House of Representatives has spent for war appropriations. The Navy appropriation bill amounts to \$553,000,000. The Navy emergency appropriation bill amounts to \$1,200,000,000. The war appropriation bill carries \$448,000,000, and that makes a total of over \$2,200,000,000 appropriated in preparation of war. We come in now for nonmilitary items and we ask for the sum of \$197,000,000. It seems to me that this Administration is war-minded, notwithstanding the fact that last year we passed the Neutrality Act to keep us out of war with any foreign nation. When you spend \$2,200,000,000 in preparation for war you have spent a tremendous sum, all the while the neutrality act lies dormant in the President's desk, and it seems to me almost incredible that a man who asked for the neutrality act would not use it when he has the power to do so, but permits war materials to be shipped on to Japan, in order that innocent women and children may be killed by munitions manufactured in this country. It is unjust, inhuman, and unworthy a nation like ours to assist in the persecution and execution of innocent people, for the sum of a few paltry dollars. Why does not the President prohibit the exportation of war materials to Japan?

It is deplorable to think of; but now I am interested in another war, the war on depression in our own country. Let us see what the President of the United States said when he was running for office in 1932. He was elected on the plan and policy of economy in government. The people hailed him as a great man coming into office. Has he carried out his promises to the American people? Let us see what he said when he addressed a joint session of the Congress March 10, 1933—

For 3 long years, the Federal Government has been on the road toward bankruptcy.

With the utmost seriousness, I point out to the Congress the profound effect of this fact (the accumulated deficit of \$5,000,000,000) on our national economy.

It has contributed to the recent collapse of our banking structure.

It has accentuated the stagnation of the economic life of our people.

It has added to the ranks of the unemployed. Our Government's house is not in order and for many reasons no effective action has been taken to restore it to order.

Upon the unimpaired credit of the United States Government rests the safety of deposits, the security of insurance policies, the activity of industrial enterprises, the value of agricultural products, and the availability of employment. The credit of the United States Government definitely affects these fundamental human values. It, therefore, becomes our first concern to make secure the foundation. National recovery depends upon it.

They were wise words by the President of the United States; but just think what the President of the United States has been doing in the last 5 years. Oh! how he has changed. It ought to make you shudder; it ought to make every Member of Congress pause and wonder to think that he has spent more than \$19,000,000,000 above what the Government has received. We keep going into the red. At the present time, for this year as of April 18, we had a deficit of \$1,152,297,851, notwithstanding the fact that the President promised many times a balanced Budget for this year. Before this year has finished on the 30th of June you are going to be close to \$1,500,000,000 in the red, or probably more. A horrible thought. Next year, 1939, according to the President's program, I predict more than a two billion deficit.

What is this all about? I would like to make more quotations of what the President talked about in 1932, quotations very similar to the one I just read. And to think that Members of Congress have been engaged in assisting him in his change to this ruthless expenditure of Government funds under the guise of relief. All are agreed that we should take care of the people of this country.

No one ever starved before, no one should or would starve; but you have set up under the guise of W. P. A., under the guise of relief, the greatest boondoggling political bureaucratic machine the world has ever seen; and that in this Nation of ours. It makes my blood run hot and cold in the same minute to think how the Members of Congress have been responsible for encouraging this kind of ruthless bureaucratic spending under the guise of relief and sound methods of pump priming. Oh, what a headache it is to the country.

Mr. FORD of California. Mr. Chairman, will the gentleman yield?

Mr. RICH. I cannot yield now. I will yield in a few minutes, if I have time.

Did you read Son Jimmy's address out at Middletown, Ohio, yesterday? Young Jimmy, the Crown Prince, said that if the increase of national income resulting from the first pump priming had kept up, the Budget would have been balanced in 1938. That big word "if," "if," "if." Well, James, it requires a man of sound business experience to do the job. Not a man who never did or could meet a pay roll or run a successful business.

Your father tried pump priming to the tune of \$19,000,000,000. Where are you now? As against 11,000,000 men out of work in 1933 you now have 13,500,000 out of work; you have industry practically wrecked; you have the people of this country in a condition where the businessmen are thinking more of trying to preserve what little they have left rather than venture it in new business activities. They are all afraid of your papa; both big- and small-business men are worried. It is a deplorable condition in which we find ourselves. And whose fault is it? I say the President's fault in trying all the new things any new dealer suggests, rather than the advice of sound Jeffersonian Democrats with experience.

Mr. RANDOLPH and Mr. FORD of California rose.

Mr. RICH. I will yield in a few minutes, if I have the time. I want to give you a few more examples of your boondoggling, bad, unethical, prejudicial, unsound legislation. You must change the attitude of the people of this country to sound fundamentals of business. You are not going to do it by permitting John L. Lewis, the radical labor leader, to succeed in his efforts to domineer this country. When John L. Lewis says a law cannot be passed, the Members of Congress get in goosestep with John L. Lewis and

ask him whether they dare pass a law here in Congress. If he says yes, you pass the law. If he says no, then you defeat it. Why do not the Members of Congress act for the best interest of America rather than do what some radical personage insists on your doing to meet his own personal views. It is not sensible, it is not good for the country or for labor, nor for you.

[Here the gavel fell.]

Mr. SHEPPARD. Mr. Chairman, when the gentleman's temperature lowers I would like to ask the gentleman a question.

Mr. RICH. Mr. Chairman, I ask unanimous consent to proceed for 3 additional minutes, while my temperature is high, because the Congress needs some sound advice.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. RANDOLPH. Mr. Chairman, will the gentleman now yield for a question?

Mr. RICH. I have only 3 minutes. If the gentleman will get me 3 minutes more I will yield. I am sorry.

What are you trying to do? You are trying to create a scarcity of farm produce. You are trying to create a scarcity in all commodities of life that the people of this country need. At the same time you say you are going to raise the American standard of living, but how are you going to do it? You are trying to raise the American standard of living through these reciprocal-trade agreements, by permitting importations to come into this country produced by foreign countries, produced by peon and peasant labor, grown by men who are paid one-tenth the sum our farmers receive. You are permitting manufactured articles to come into this country that are manufactured in foreign countries by people who receive from one-fifth to one-tenth the salaries that American labor receives.

How are you going to help American farmers and labor if you permit that? It cannot be done. Just look at the amount of farm produce that is coming into this country. It is astounding, it is astonishing what great amount of imports that replace American labor, and you men on this side of the aisle ought to take these powers away from the President of the United States at once. Do your own legislating, do your own thinking, give the American markets to the American people if you want prosperity. You want to give men work in industry and on the farm; work means happiness and home. Are you going to permit the National Labor Relations Board and the Wagner Act to continue to give advantages to labor without the responsibility that should go with it? That is one thing this Congress should clear up before it adjourns. It should enact legislation which will give to labor and the manufacturer the same or equal rights. You cannot smother the manufacturers and compel them to close down through these unlawful, unethical sit-down strikes and expect laboring men to have jobs. The men who are interested in labor ought to be interested in holding labor responsible for their acts and deeds just as the men who employ labor should be responsible for their acts and deeds. Labor and capital are inseparable and we ought to make laws to keep them so. I do hope that the President and Congress will consider carefully just and equitable revision of the Wagner Act and other laws recently passed; give the capitalistic system a chance to function and it will do its part in getting us out of the dreadful condition in which we find ourselves. It will put men to work, the Government cannot do it. In 150 years it made this country the land of opportunity, the land of liberty, and the land of freedom. The greatest country on the face of the earth. Let us do our duty to perpetuate it. Do not wreck it with untried, improper, and unsound ideas. Let us be practical. [Applause.]

[Here the gavel fell.]

Mr. ENGEL. Mr. Chairman, I yield 2 minutes to the gentleman from Kentucky [Mr. MAY].

Mr. MAY. Mr. Chairman, my purpose in asking for time on this particular occasion is to make the announcement that I have arranged for hearings before the Appropriations Committee some time next week for the purpose of trying to earmark \$120,000,000 of the funds mentioned by the President in his message for public works.

The President has asked for \$450,000,000 for the purpose of Public Works Administration.

In connection with the United States Army, in every State and in many places in the various States worse housing conditions exist than exist in the worst slums in the cities of this country. I have here a list which I shall ask permission to include with my remarks when we go back into the House covering 181 different projects in Army posts where it is proposed to allocate this money. The total will be approximately \$120,000,000. All the items for each particular post is set out in this list which I will later place in the Record for the purpose of giving the membership of the House an opportunity to look it over. I hope that every Member will examine it with care.

The idea I have in mind is, if the committee does not report in that bill an earmarking of this money in the title relating to public works, I shall undertake to do so on the floor of the House by an amendment to the bill. I will want a majority of the Members of the House of Representatives with me when I undertake to do that.

I may say further that I have not had the opportunity to confer with the President about this matter, but the War Department has taken it up with the Public Works Administrator with a view to getting his approval. It may not be necessary for me to offer an amendment, but if it is I shall do so. I think it a wise step to take because we will ultimately have to do it. Why should the Congress allow our Army personnel to be housed with their families in miserable hovels, while the P. W. A. spends hundreds of millions of dollars to build new and modern housing plants in the great cities for occupation in thousands of cases by people who have never been declared their allegiance to this country, for whose flag our Army troops are ready and willing to fight and even die if need be? Why leave them ill-housed and their families required to live in mere shacks unfit in many instances for human habitation? At this point in the Record I include a table of 181 needy projects listed in the War Department records:

War Department construction priority list, Apr. 15, 1938

[Arranged to show items authorized by Congress and items not yet authorized]

No.	Authorized act, 394, Aug. 26, 1937	Public, 263, Aug. 12, 1935, Wilcox	Not authorized	Place	Cost
1			No.	Fort Lewis.....	\$2,680,240
2	(*)			Fort Clayton, Canal Zone.....	680,500
3	(*)			Fort Davis, Canal Zone.....	553,000
4		W		Hickam Field, Territory of Hawaii.....	3,721,978
5		W		Wheeler Field, Territory of Hawaii.....	940,000
6		W		Albrook Field, Canal Zone.....	2,254,400
7	(*)			Fort Kobbe, Canal Zone.....	90,000
8	(*)		No.	Fort Shafter, Territory of Hawaii.....	\$827,500
				{ wall.....	987,000
					1,814,500
9	(*)		No.	Schofield Barracks, Territory of Hawaii.....	\$1,264,200
				{ tory of Hawaii.....	2,850,400
					4,114,600
10	(*)			Fort Bragg, N. C.....	413,500
11	(*)			Fort Riley, Kans.....	405,000
12	(*)			Fort Monroe, Va.....	335,000
13	(*)		No.	Fort Humphreys, D. C.....	\$78,380
				{ 66,500	144,880
14			No.	Fort Knox, Ky.....	2,899,200
15		W		Hickam Field, Territory of Hawaii.....	3,829,000
16		W		Wheeler Field, Territory of Hawaii.....	1,012,000
17	(*)			Fort Crook, Nebr.....	193,000
18	(*)			Headquarters Provisional Brigade, Washington Quartermaster Depot.....	1,893,188
19	(*)			Corozal general depot, Canal Zone.....	459,300
20	(*)		No.	Carlisle Barracks, Pa.....	\$239,500
				{ 655,300	894,800
21	(*)			Fort Monmouth, N. J.....	377,500
22	(*)			Fort Shafter, Territory of Hawaii.....	246,500

War Department construction priority list, Apr. 15, 1938—Continued

No.	Author- ized act, 394, Aug. 26, 1937	Public, 263, Aug. 12, 1935, Wilcox	Not au- thor- ized	Place	Cost
23	(*)			Madison Barracks, N. Y.	\$359,500
24	(*)			Fort DuPont, Del.	413,500
25		W		Albrook Field, Canal Zone	330,000
26	Special			Savanna Ordnance Depot, Ill.	1,023,413
27		W		Chanute Field, Ill.	1,412,622
28			No.	Army Medical Center, D. C.	541,500
29	(*)			Fort Bliss, Tex.	463,000
30	(*)			Fort Washington, Md.	30,000
31	(*)			Fort MacArthur, Calif.	138,500
32	(*)			Fort Myer, Va.	284,500
33	(*)			Fort Ethan Allen, Vt.	257,500
34	(*)			Fort Thomas, Ky.	415,000
35	(*)		No.	Fort Sam Houston, Tex.	\$740,700 793,000
36	(*)			Fort Douglas, Utah	1,533,700
37	(*)			Jefferson Barracks, Mo.	205,500
38	(*)		No.	Fort Devens, Mass.	\$200,900 791,900
39	(*)			Fort Leavenworth, Kans.	992,800
40	(*)			Fitzsimons General Hospital, Colorado	600,000
41		W		Chanute Field, Ill.	1,770,000
42		W		Air Corps Technical School, Denver, Colo.	1,464,900
43		W		McChord Field, Wash.	815,900
44			No.	Fort Sherman, Canal Zone	2,494,850
45			No.	Fort Randolph, Canal Zone	850,000
46			No.	Fort Sill, Okla.	590,000
47			No.	Quarry Heights, Canal Zone	1,238,700
48			No.	Fort Amador, Canal Zone	69,600
49			No.	Fort Clayton, Canal Zone	328,000
50			No.	Corozal, Canal Zone	1,375,329
51			No.	Fort Davis, Canal Zone	945,650
52			No.	Various stations, Canal Zone	131,529
53		W		Ogden Ordnance Depot, Utah	365,500
54		W		Delaware Ordnance Depot, N. J.	1,229,350
55			No.	Fort Mason, Calif.	504,000
56	(*)			Presidio of San Francisco, Calif.	1,360,000
57	(*)			Fort McPherson, Ga.	503,870
58	(*)			Fort Huachuca, Ariz.	108,000
59			No.	Carlisle Barracks, Pa.	500,500
60			No.	(a) Fort Armstrong, Territory of Hawaii	384,500
61		W		(b) Forts Ruger and DeRussy, Territory of Hawaii	1,369,600
62		W		(c) Hickam Field, Territory of Hawaii	540,000
63			No.	Wheeler Field, Territory of Hawaii	1,224,800
64			No.	Fort Shafter, Territory of Hawaii	784,300
65			No.	Tripler General Hospital, Territory of Hawaii	708,000
66			No.	Fort Sheridan, Ill.	1,506,257
67			No.	Fort Bliss, Tex.	656,900
68			No.	Fort Snelling, Minn.	473,400
69			No.	Fort Riley, Kans.	145,340
70			No.	Fort MacArthur, Calif.	275,520
71			No.	Fort McDowell, Calif.	276,000
72			No.	Fort Barrancas, Fla.	687,500
73			No.	Fort Bragg, N. C.	276,000
74			No.	Fort George G. Meade, Md.	689,250
75			No.	Fort Douglas, Utah	963,000
76			No.	Fort Benjamin Harrison, Ind.	300,000
77			No.	Jeffersonville Quartermaster Depot, Ind.	738,460
78			No.	Jefferson Barracks, Mo.	175,000
79			No.	Holabird Quartermaster Depot, Md.	154,200
80			No.	Presidio of San Francisco, Calif.	638,250
81			No.	Fort Slocum, N. Y.	582,470
82			No.	Fort Benning, Ga.	521,600
83			No.	Fort Crockett, Tex.	191,300
84			No.	Fort Clayton, Canal Zone	772,320
85			No.	Fort Davis, Canal Zone	332,000
86			No.	Fort Amador, Canal Zone	698,900
87			No.	Corozal, Canal Zone	75,500
88			No.	Quarry Heights, Canal Zone	1,448,200
89			No.	Fort Ethan Allen, Vt.	63,900
90			No.	Fort Hoyle, Md.	165,700
91			No.	Edgewood Arsenal, Md.	839,600
92		W		Schofield Barracks, Territory of Hawaii	309,600
93		W		Albrook Field, Canal Zone	1,406,375
94		W		McChord Field, Wash.	1,229,320
95			No.	Chanute Field, Ill.	1,346,500
96			No.	Air Corps Technical School, Denver, Colo.	591,900
97			No.	Fort Ruger, Territory of Hawaii	388,780
98			No.	Holabird Quartermaster Depot	137,500
99			No.	Fort Knox, Ky.	328,560
100			No.	Fort Lewis, Wash.	445,700
101			No.	Fort Logan, Colo.	314,880
102			No.	Savanna Ordnance Depot, Ill.	189,230
103			No.	Fort MacArthur, Calif.	780,000
104			No.	Fort Sill, Okla.	344,650
105			No.	Aberdeen Proving Ground, Md.	719,875
106			No.	Raritan Arsenal, N. J.	846,940
107			No.	Anchorage, Alaska	158,100
108			No.	Chilkoot Barracks, Alaska	21,250
109			No.	Juneau, Alaska	349,050
110			No.	Fort Clark, Tex.	34,550
111			No.	Vancouver Barracks, Wash.	82,300
112			No.	Fort Bliss, Tex.	147,680
			No.	West Point, N. Y.	128,800
			No.	Camp Dix, N. J.	270,000
			No.		100,000

War Department construction priority list, Apr. 15, 1938—Continued

No.	Author- ized act, 394, Aug. 26, 1937	Public, 263, Aug. 12, 1935, Wilcox	Not au- thor- ized	Place	Cost
113			No.	Fort Monmouth, N. J.	\$296,700
114			No.	Delaware Ordnance Depot, N. J.	265,500
115			No.	Fort Devens, Mass.	186,060
116			No.	Fort Hancock, N. J.	262,000
117			No.	Fort Huachuca, Ariz.	83,071
118			No.	Jefferson Barracks, Mo.	102,500
119			No.	Fort Jay, N. Y.	1,135,700
120			No.	Fort Brady, Mich.	300,000
121			No.	Madison Barracks, N. Y.	315,600
122			No.	Fort Moultrie, S. C.	40,300
123			No.	Fort Myer, Va.	129,745
124			No.	New Cumberland General Depot, Pa.	54,360
125			No.	Plattsburg Barracks, N. Y.	238,000
126			No.	Schenectady General Depot, N. Y.	68,650
127		W		France Field, Canal Zone	1,650,000
128		W		Kelly Field, Tex.	682,800
129		W		McChord Field, Wash.	160,200
130		W		Air Corps Technical School, Denver, Colo.	423,600
131		W		Air Corps airways program	522,900
132		W		Sacramento Air Depot, Calif.	75,000
133		W		Randolph Field, Tex.	350,000
134		W		Patterson Field, Ohio	1,265,000
135		W		Duncan Field, Tex.	335,000
136		W		Mitchell Field, N. Y.	400,000
137		W		Maxwell Field, Ala.	300,000
138		W		March Field, Calif.	210,000
139			No.	Fort Sheridan, Ill.	157,440
140			No.	Fort Slocum, N. Y.	197,350
141			No.	Fort Huachuca, Ariz.	161,000
142			No.	Fort Sill, Okla.	228,000
143			No.	Fort Monroe, Va.	422,000
144			No.	Fort Missoula, Mont.	229,000
145			No.	Fort Benning, Ga.	1,019,100
146			No.	Fort Reno, Okla.	175,000
147			No.	Fort Leavenworth, Kans.	1,368,000
148			No.	Fort Des Moines, Iowa	111,000
149			No.	Fort Hoyle, Md.	692,000
150			No.	Edgewood Arsenal, Md.	216,000
151			No.	Letterman General Hospital, California	345,800
152			No.	Presidio of Monterey, Calif.	300,000
153			No.	Fort Belvoir, Va.	347,100
154			No.	Fort Clayton, Canal Zone	294,000
155			No.	Fort Davis, Canal Zone	109,800
156			No.	Fort Amador, Canal Zone	77,600
157			No.	Fort Story, Va.	20,600
158			No.	Fort Totten, N. Y.	304,000
159	(*)		No.	Fort D. A. Russell, Tex.	77,818
160	(*)		No.	Fort Niagara, N. Y.	324,000
161			No.	Tripler General Hospital, Territory of Hawaii	179,000
162			No.	Fort Belvoir, Va.	1,159,200
163			No.	Fort Sheridan, Ill.	1,229,800
164			No.	Camp Dix, N. J.	1,100,000
165			No.	Army Medical Center, District of Columbia	2,866,400
166			No.	Plattsburg Barracks, N. Y.	862,000
167			No.	Presidio of San Francisco, Calif.	474,000
168			No.	Fort Clark, Tex.	500,000
169		W		Scott Field, Ill.	4,472,450
170		W		Hamilton Field, Calif.	380,000
171		W		Barksdale Field, La.	660,000
172		W		Selfridge Field, Mich.	817,500
173		W		Navigation aids at various stations	300,000
174		W		Wright Field, Ohio	660,000
175		W		Muroc Lake, Calif.	353,500
176		W		Bolling Field, D. C.	1,066,000
177		W		March Field, Calif.	330,000
178		W		Langley Field, Va.	440,000
179	(*)			Fort Wayne, Mich.	68,000
180	(*)			Frankford Arsenal, Pa.	255,000
181	(*)			Fort Francis E. Warren	277,500

Mr. ENGEL. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. SNYDER].

Mr. SNYDER of Pennsylvania. Mr. Chairman, I yield 4½ minutes to the gentleman from Texas [Mr. MAVERICK].

BILL TO PROVIDE AERONAUTICAL TRAINING AT COLLEGES AND TO ESTABLISH UNITED STATES AERONAUTICAL ACADEMY

Mr. MAVERICK. Mr. Chairman, I am going to talk about a matter which is of extreme importance to the people of the United States. I have today introduced H. R. 10350, and the title and first section are self-explanatory, and are as follows:

TITLE TO ACT

A bill to provide aeronautical training at land-grant colleges, high schools, and private institutions, in the same manner as now provided for military education, and to further promote civil and military flying by establishing the United States Aeronautical Academy for the training of cadets and officers in military aeronautics, said academy to be upon a basis of equal dignity, importance, and scientific and tactical standing as the United States Military Academy and the United States Naval Academy.

FIRST SECTION—STATEMENT OF POLICY

Be it enacted, etc., That it is the declared policy of Congress to foster and promote education from the viewpoint of aeronautical training by establishing the United States Aeronautical Academy, as provided in this act, and also be encouraging aviation training in the land-grant colleges, universities, high schools, and private educational institutions, in the same manner as now provided in the case of military training and Reserve Officers' Training Corps units. Such institutions throughout the United States shall be encouraged to establish "aviation units" in the same manner as they have heretofore established artillery, infantry, cavalry, and other units. The Secretary of War is hereby authorized to detail to said institutions officers of the Air Corps in the same manner as officers are now detailed in other services.

Mr. Chairman, in our country we have wholly inadequate training for our aviation corps. Insofar as aviation is concerned, this country is miserably behind every modern country in the world. Now, I have an idea, and it is a good idea, I believe, because I have talked to a lot of people of every shade of opinion about it.

The land-grant colleges of the United States of America, for instance, have "horse troops"; they teach artillery; they teach infantry. What I would like to do is have the land-grant colleges of the United States of America install in each college a section devoted to the teaching of aviation.

At the present time we only have a few hundred air cadets, allocated at Randolph and Kelly Fields, and the number receiving training is absolutely insufficient for the Army and insufficient for civil training. There is a serious inadequacy of pilots for the various commercial companies of the United States of America.

Mr. RANDOLPH. Will the gentleman yield?

Mr. MAVERICK. I yield to my distinguished friend, who is one of the best authorities and best friends of aviation in America.

Mr. RANDOLPH. I am delighted, as the gentleman is, to know that the new Director of the Bureau of Air Commerce is creating a division which has for its object the stimulation of private flying in this country. I wish to congratulate the gentleman from Texas in bringing this important matter to our attention. I will cooperate in every possible way.

Mr. MAVERICK. I thank the gentleman.

Now I will proceed to discuss the matter of aviation training through land-grant colleges. We could select—or the War Department could select—say 50 land-grant colleges, and each one of those land-grant colleges could have 50 air cadets selected from the whole cadet corps or student body. In that way we could train 2,500 boys a year; it could be increased or decreased as conditions require. At the present time we have only a few hundred cadets, as I stated. We might eliminate these horse troops and teach those boys something about aviation.

Mr. COLLINS. Will the gentleman yield?

Mr. MAVERICK. I yield to the gentleman from Mississippi.

Mr. COLLINS. We tried that once and had to discontinue the practice because we found we were killing too many of these youngsters in the colleges.

Mr. MAVERICK. That is deeply regrettable, but sentiment cannot stop the march of science. Moreover, as sensible people, we have to face the facts. I did not know any young men had been killed. But, sad as it is, more will be killed in airplane, automobile, and other accidents. With better training, fewer will be killed.

We have boys at Kelly Field and Randolph Field, the training schools for aviation in America, and some of them are killed. Boys are being killed all over the world as far as aviation is concerned, but aviation is becoming much more modern every day. Considering the inevitability of the increase in aviation, if we establish this course in the land-grant colleges it will be a good thing from every angle.

I also favor the establishment of the United States aeronautical college mentioned in the bill which I have introduced, on the same basis as the Naval College and the Mil-

tary College, because we are so woefully behind with our aviation education.

Mr. MAY. I agree with the remarks and position of my colleague. May I say for his information that I issued a press release last week to one newspaper in each county in my State.

I have had more than 75 responses to that release from young men who want to take air training.

Mr. MAVERICK. I thank my chairman of the Military Affairs Committee and I am absolutely sure that is a good thing, because the gentleman from Kentucky and I do not agree very often. If we agree, we know it is all right!

Mr. THOMASON of Texas. Mr. Chairman, will the gentleman yield?

Mr. MAVERICK. I yield to the gentleman from Texas, my good friend.

Mr. THOMASON of Texas. I hope the gentleman does not mean what he said a few minutes ago—that he would abolish the cavalry.

Mr. MAVERICK. We would not abolish cavalry, and we would not take a horse away from the district of the gentleman from Texas. There is a necessity for cavalry, and some of it is rightfully in the gentleman's district. We just want to have more airplanes, that is all.

Mr. RANDOLPH. Mr. Chairman, will the gentleman yield?

Mr. MAVERICK. I yield to the gentleman from West Virginia.

Mr. RANDOLPH. May I add to the remarks of the gentleman in connection with the failure of the Federal Government to give aviation its proper place that other nations of the world are stimulating flying and asking that their Government help private flyers. Certainly the provisions of the proposed legislation should commend themselves to the sympathetic attention of the membership of this House.

Mr. MAVERICK. I thank the gentleman. Aviation is such a big thing the Government should develop its training on a very wide scale.

Before I conclude, let us discuss some of the facts. At the present time we have 28,000,000 automobiles and 15,000 airplanes. There was a time when it was thought the horse would never be displaced by the automobile. The airplane will never displace the automobile, but surely the number of airplanes used will increase enormously. So let us use our heads and be prepared.

I hope the gentlemen will support the bill I have introduced to give aviation the recognition it ought to have by establishing an aeronautical college and giving aeronautical training in the land-grant colleges of America.

[Here the gavel fell.]

Mr. ENGEL. Mr. Chairman, I yield myself the remainder of my time.

Mr. Chairman, on Tuesday last I discussed on the floor of the House the two palaces which we are constructing in the Philippine Islands. At that time and since that time attempts have been made to apply a liberal coat of whitewash to both Gov. Frank Murphy, of Michigan, former High Commissioner, and High Commissioner Paul V. McNutt in an effort to absolve them from any responsibility for the construction of these two palaces.

I have gone back over the records of the committees of both the Senate and the House and the reports of the Governors General. I went to the Procurement Division of the Treasury Department this morning and obtained the original tentative plans submitted by the High Commissioner of the Philippine Islands to the State Department and by them to the Procurement Division of the Treasury Department. The plans were originally drafted at Manila and were submitted in tentative form to the Procurement Division of the Treasury through the State Department by the Governor General, so the Procurement Division has informed me.

I examined the original tentative plans of these two palaces prepared at Manila and approved by the Governors General. The plan of the smaller palace had on it the word "Approved" and it was signed "Paul V. McNutt, High Commissioner." The palace that Mr. McNutt wanted to build was 66 feet wide,

161 feet long, and 43 feet high. The palace as it will be constructed from plans of the Procurement Division is 64 feet by 134 feet. The White House is 85 feet by 170 feet.

The White House is only 19 feet wider and 9 feet longer than the McNutt palace which is to be used as a summer home, and to which I referred as having 47 rooms.

The original tentative plans for the larger palace at Manila, the one Gov. Frank Murphy wanted to build, as submitted carry the words "Approved, Frank Murphy, High Commissioner." The White House is 85 feet wide and 170 feet long. The palace as we are now building at Manila is 134 feet wide and 203 feet long. The Murphy palace would have been 141 feet wide and 266 feet long. Governor Murphy wanted to build a palace at Manila that was 84 feet wider and 64 feet longer than the White House, but the Procurement Division, or somebody, cut it down to where it is only 33 feet wider and 49 feet longer than the White House.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. ENGEL. Let me finish my statement first, please. The names are signed in their own handwriting on the plans themselves. The House report quotes Brigadier General Cox, Chief of the Bureau of Insular Affairs of the War Department, as follows:

Governor General Murphy, after a careful study of the situation in the island, has expressed the view that the amount estimated in the bill (\$1,000,000) is very reasonable.

The Senate committee report is as follows:

It was made to appear to your committee that the Governor General of the islands (Mr. Murphy) had expressed the view that the amount stated in the bill was entirely reasonable.

On June 25, 1935, after the bill had been reported out for \$1,000,000, President Roosevelt submitted to the Senate a supplementary estimate upon recommendation of the Budget Bureau for \$750,000.

Mr. Chairman, the two gentlemen from Michigan on the Democratic side of the aisle may call this cheap politics, but I call it mighty expensive politics and a wasteful expenditure of the people's money. This is all the more true since we are getting out of the Philippine Islands in 1946. According to the statement made in the Senate and approved by Senator TYDINGS, we own over 300,000 acres of land in the Philippines now. The land and buildings there are inventoried at more than \$18,000,000. Under the Tydings-McDuffie Act, we are turning this property over to the Philippine Government in 1946. Now, we own 300,017 acres of land because we created these 17 acres out of Manila Bay. The Philippine Islands have cost us from 1898 to 1934 \$835,000,000, and when you add the cost since that time it runs close to a billion dollars. If you add the newly created cost of the big navy made necessary by a fear that Japan will attack the islands, you will add another billion or two. How long are we going to keep this up and spend large amounts of money in the Philippine Islands when we are giving them their complete independence at their request in 1946. You can try to apply the whitewash brush to Governor Frank Murphy and High Commissioner Paul V. McNutt. You cannot cover up the little word "approved" on the plans and specifications and beneath which they by their own hand affixed their names. They themselves fixed their responsibility beyond contradiction.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. ENGEL. I yield.

Mr. RICH. Can the gentleman tell us where we are going to get the money to build these palaces for McNutt?

Mr. ENGEL. It will be raised by taxation, and Mr. Roosevelt said in 1932 that "taxes are paid in the sweat of everyone who labors."

[Here the gavel fell.]

Mr. POWERS. Mr. Chairman, I yield 1 minute to the gentleman from New Jersey [Mr. SUTPHIN].

Mr. SUTPHIN. Mr. Chairman, the chief duty of the Congress at this time, in the face of increasing unemployment and economic uncertainty, is to help the job maker create jobs. This means that we must encourage business and industry in every way possible.

In 1936 I opposed the revenue act because I firmly believed it contained new tax provisions that would prove harmful to corporate industry, and we must remember that most business today is operated under the corporate form. When the 1938 Revenue Act was on the floor of the House, I favored outright repeal of the undistributed-profits tax and drastic revision or outright repeal of the capital-gains tax. It was, and still is, my firm belief that these taxes strike at the root of industrial security.

It is good industrial practice to establish reserves for expansion which can also be used to carry pay rolls along in stringent times. This lesson should have been well learned during 1930-33, when many corporations were able to survive only by expending their reserves. It is thus a useful means of lowering the peaks of prosperity and filling in the valleys of depression, and it is up to this Government to make certain that every possible means of leveling the economic cycle to a good average of normalcy is put into full and free use by industry. Yet these taxes have the opposite effect.

They force corporations to pay out practically their entire profits in dividend declarations or forfeit considerable sums to the Government as a penalty. The tax does not have revenue production as its purpose, but rather it attempts to determine the reserve policy of business and industry. For this reason alone it is not a good tax.

Reserve policy should be determined by the stockholders, who may rightfully choose long-time security of their investment in preference to an immediate dividend. Similarly, the capital-gains tax, heavily taxing this year's gains without thought of last year's losses or next year's possible emergency, is not sufficiently mindful of the stockholders' interest. Naturally, theirs is the gain taxed or the loss disregarded by this taxing policy. Nor is it sufficiently mindful of labor's interest, for continued employment depends on a stable financial structure.

It is my sincere hope that the conferees appointed to represent this House in consultation with the Senate conferees will concur in the Senate version of the 1938 Revenue Act. For the 1936 Revenue Act to remain in force would be a tragedy of tax policy, and the House version of the 1938 Revenue Act did not go far enough in the removal of these bad features.

The Senate version will certainly give encouragement to business and industry, who at least will know that the Federal Government is seeking the revenue it needs to operate, but is not delving into the field of determining the reserve policy of private business. We have no place there whatever, beyond the possible service we might render by urging reserve increases during good business years and expenditure of these funds by maintaining employment during poor business years. This money will create more purchasing power when used to employ men in industry than when disbursed to stockholders.

Federal expenditure on public works at this time may well have its needed place in fighting the recession. But our only hope for progress toward normalcy and for maintenance of that favored position is for us to encourage private business and private industry to so manage their affairs that we may now have reemployment and thereafter maintain employment of our people in private industry.

Finding job makers is the most important quest of our people today. We need enterprising men who can gather together the necessary capital to employ those people who are eager to work in order that they may produce a more generous supply of material goods. We all need shoes; we all need clothing; most of us can use a greater variety of food at our table; we need better housing; and the list could go on and on.

We must look to private industry to supply this employment, and we must therefore encourage the private job maker. We must leave enough of the profit motive to encourage him to undertake the risks of production, and we must leave him free from threats of too much governmental

regulation, so he must not too often be required to change his policy, for these changes create insecurity.

It appears to me that both the taxation activities and the regulatory activities of the Government during the past 20 or 30 years could stand a good deal of scrutiny.

Let us free industry and commerce in order that the economic laws of a nation rich in natural resources and in human labor and enterprise can work out its destiny of bountiful living. Let us encourage industry and business to create jobs. All our people are waiting for is assurance that a fair profit will not be taxed or regulated out of existence.

Let us help the private job maker create jobs. [Applause.]

Mr. SNYDER of Pennsylvania. Mr. Chairman, I yield the balance of the time to the gentleman from Oregon [Mr. PIERCE].

Mr. PIERCE. Mr. Chairman, the minority leader of the House, the gentleman from New York, read to the Members of this House on April 13 an article from the New York Herald Tribune of April 12 entitled "More Adversity." The speaker and the writer of the article were both commenting upon the news of the seven-county election held in Oregon on April 8 for the purpose of creating a special utility district.

This power-district election in far-away Oregon is not without significance in the Nation-wide battle between public and private power. The reactionary and pro-utility Herald Tribune exults over the defeat of a public power district. Since this rural election has caused Nation-wide comment, I desire to explain it from my point of view.

Since the newspaper figures were incomplete, I am not quoting them, but will in a moment give the actual figures of the election, as I desire to comment upon them. Our colleague from New York drew from the election the conclusion that the people "do not want these gigantic projects imposed upon them from Washington * * * Bonneville Dam will be completed in about a year, but the people of the immediate vicinity have already emphatically disapproved the proposed distribution scheme." Now I know that our colleague would not misrepresent facts, but the source from which he drew them the Herald Tribune—is not entirely unprejudiced. Its article is so full of misstatements that it could be ignored, except that it drew remarks from such a distinguished commentator.

PRIVATE UTILITIES CANNOT GIVE CHEAPEST RATES

The real battle in Oregon was caused by the determination of the privately owned utilities to distribute the power from Bonneville through their own existing lines, and force the Government to restrict sales to industry at the bus bar. The people made a struggle to organize a seven-county public power district, taking in parts of seven counties, where they would own their distributing system and pass on to the consumer the full benefit of the low rate of the Government power plant at Bonneville. It is a well-known fact that cannot be repeated too often, that the cost of electricity to the ultimate consumer is largely in transmission and distribution. The cost of generation rarely exceeds 10 percent of the consumer's electric bill. The facts of the case are, the utilities are making a fight to hold their present capital structures. They have got to win, or squeeze the water out of their overcapitalizations. That is the cause of their anxiety. The private utilities really cannot pass on to the people the benefits of the low rates they may secure at the public generating plant at Bonneville. If they did so, they would then have to reduce their rates in the big centers like Portland. This would break their rate structure and would not give enough income to support their big issues of bonds and stocks. The utilities must win, or lose their preferred status which is their ability to tax the people by way of electric-light rates. They need these funds to sustain, throughout the Nation, six or seven billions of water that has been pumped into their capitalization and which they desire to freeze into it as the railroads have done. Of course they have money to pay for advertising, to pay speakers, to put on their almost irresistible propaganda.

BONNEVILLE POWER SOLD WHOLESALE ONLY

I desire to make it clearly understood that Bonneville power project was not the issue of the election, nor was it a question of transmission of the power from that project. It was a question of local distribution of power, and by whom cities and rural communities should be served, whether by public or private agencies. It has never been proposed that the Government, through its Bonneville administration, should enter into the business of distributing power retail. It is proposed that it shall generate power and transmit it to the city gates—to the local distributing system. So far the transmission lines have not been built because they are awaiting appropriation by this Congress. The Bonneville Act allows the distribution of its power directly through power districts and city public plants, or through private companies under contract protection. The choice under the law rests entirely with the people served. Their choice should be guided by facts and not by propaganda.

BONNEVILLE POWER IN DEMAND

The facts of the case are that the power generated at the two Bonneville units already installed has been oversubscribed. The present installed capacity at Bonneville is 86,400 kilowatts. Against this capacity Administrator Ross has power requests totaling 290,700 kilowatts. Seventy-nine percent of this amount represents public power-district requirements in Washington, 1.5 percent in Oregon, and 19.5 percent industrial requests. In addition, the private power companies, during this election, indicated that they could use at least 40 percent of the present installed capacity. The facts and figures presented herein show that a market exists for all the power Bonneville can generate. The recent election has no bearing either way on the plant's market. The Bonneville administrator had nothing whatsoever to do with the seven-county election which was determined upon by the people themselves and carried through by them.

In order to begin immediate repayments to the Government for the money it has lent to build this project, we are now requesting from Congress appropriations for two more units, in order to meet immediate demands and to bring money into the treasury for the purpose of facing the repayment to the Government. The outlook is for quick sale of the Bonneville power just as fast as it can be generated. There is actually a tremendous demand.

The present struggle results from the apparent determination of the private power companies to hold the field as against public distribution. The law enacted by this Congress provides that 50 percent of the power shall be held for public ownership systems which shall be given preferential rights until 1941. The object of this reservation was to give the public-utility districts an opportunity to organize for power distribution.

PUBLIC POWER DISTRICTS

In the State of Washington, there are 18 utility districts legally organized, ready to use Bonneville power, and 12 more will vote on organization this fall. Washington has out-stripped Oregon in this matter because of its more advantageous utility district law enacted in 1931, and already several times sustained by the supreme court of the State. The Washington law provides for revenue certificates plus a 2-mill levy for organization expense, with no pay for directors. Washington public-power districts are now struggling to finance themselves and while they have a representative in the East seeking for private financing, it is announced that the private utilities, with their enormous overcapitalization, are about to become partners of the Government, and that they are to be privileged to walk into the offices of the R. F. C. in order to secure new funds. Any agency which furnishes additional funds for the private utilities, does, of necessity, accept part of the burden of the overcapitalization which holds up the high-rate structures.

The Oregon law, also enacted in 1931, to put into effect the constitutional amendment voted through the influence of the State Grange, provides for setting up power districts

by vote of the people, but requires financing through general obligation bonds, thus giving an opportunity for strong objection and tremendous propaganda campaigns. I assure you this opening was not overlooked, and the election to which the gentleman referred was not an election in which the interest was power, or public power, or the use of Bonneville, but it was an election centering on taxation, which became the issue. The sponsors of the Oregon public power acts are now giving consideration to amendments which will in many ways facilitate the establishment of public-power districts in Oregon, particularly by permitting the sale of utility revenue bonds retireable, both as to principal and interest, out of district earnings, rather than the general obligation bonds now specified in the law.

It has been a very difficult thing to secure public power legislation in Oregon, and the history of constitutional amendments and enabling acts is a record highly creditable to the public spirit and tenacity of those public-power advocates who directed the campaigns. There have been vetoes and referendums and lost elections in many bitterly contested fights. Step by step the public-power advocates have won, and they will win through to final victory. The people of Oregon are fully alive to the great benefits which will come to the Northwest through the Bonneville power and navigation project, and they are determined that the benefits shall be widespread, and shall not be reserved solely for the private utilities.

THE POWER DISTRICT ELECTION OF APRIL 8

The election of April 8 was the first election in Oregon providing for the formation of a power district covering more than one county, and including rural and urban territory. The result was really amazing. The district is not adjacent to Bonneville, but over 100 miles distant from it, and was but a small part of the territory which can easily be supplied with power from that great dam. It did not take in any large cities. From latest returns, there were 13,537 votes for the seven-county power district, and 21,524 against it. This, in spite of bonds, taxes, and a private utility attack probably unparalleled in the long struggle for public ownership. Four out of forty-five small cities voted for the project. There are two municipally owned plants in the counties but they did not vote on the proposition. Four out of nine unincorporated areas also gave a favorable vote. It is not yet legally determined whether the territory which voted favorably shall be formed into a public power district. By the time districts are organized in Oregon and ready to operate the State will have a more satisfactory law, even if it must come through the initiative. The cause will profit by the weaknesses shown in this campaign. There are many other public power elections pending in Oregon, where they will be held frequently from now on. These are in smaller districts, each within one county.

THE PRELIMINARY SKIRMISH OF A BIG BATTLE

This preliminary skirmish steels the arm for the coming battle. I am firmly convinced that the people of Oregon will rise in their might and demand that publicly owned distributing systems shall make available the cheap power of Bonneville. Oregonian public power advocates cannot believe that when the facts are fairly presented to our people they will allow all the cheap power from Bonneville to pass into the States of Washington and Idaho, leaving Oregon citizens to continue to contribute to Wall Street manipulators at least twice as much as they ought to pay for electric current, or what they would pay if they distributed cooperatively the current Bonneville will soon be ready to deliver. It is inconceivable that the people organized for governmental purposes should be prevented by big aggregations of private capital from exercising their governmental powers. The private utilities claim that they are hampered by governmental actions or restrictions, but they must be rejoicing over their very successful effort to crush public initiative. Surely the people in their government should have a free field without being cowed and intimidated and actually con-

trolled by the private utilities. When the people decide that they will furnish for themselves all the essentials, including light as well as water and highways, the utilities will be obliged to yield. I repeat, the private utilities cannot give to the people the reduction that is due them in their electric-light bills.

The whole episode reminds me of the fight in Oregon when I was Governor 15 years ago, to pass and hold an income-tax law. We secured enactment of a law under which an income tax was levied. Three million dollars had been collected the first year, and the money used to reduce the property tax. Under a propaganda drive, the people repealed that law, took back upon their own shoulders the burden of raising that money through a property tax. We who believed that taxes should be based on the ability to pay, never gave up our fight for the income tax as against the sales tax, and finally won our point.

RURAL ELECTRIFICATION NEEDED IN OREGON

Our people in the Northwest want more electric power and they want it at rates comparable with the rates established by the publicly owned plants at Tacoma, Wash., and Eugene, Oreg., which are our present yardsticks. Oregon's rural population has never enjoyed electricity because the private power companies have refused reasonable extensions, have held rates high, and have otherwise penalized rural use. Oregon has profited by the rural-electrification program of the Federal Government, and districts are being established. Only 39.7 percent of the farms in Oregon are now supplied with electricity, and these at the rates largely beyond the paying ability of farmers. In the State of Washington, 52.9 percent have rural electrification. California, the second in the Union, has 67.6 percent of farms served. In Oregon, electrical development has been checked through the reactionary and subversive policies of the private utilities. These private companies have been pushing their rural extensions ever since the day Bonneville was proposed. They have had people sign on the dotted line at high rates. When these signatures were secured, most of the people had not heard that a Government-owned plant was probable and that public distribution systems would be possible. The private companies preempted the best territory and left thinly settled districts helpless, making extension costs prohibitive. It has been amusing to note the newspaper publicity given very slight reduction in private power company rates during Bonneville construction. The reductions have been too small to be noticed in bills, but may be credited to Bonneville.

UTILITY PROPAGANDA ATTACKS POWER DISTRICTS

This election did prove the power of propaganda. Formerly it was possible through required reports to regulatory bodies, to ascertain something of the cost of such campaigns. Since the dissolution of the old National Electric Light Association, and the organization of what is known as the Edison Electric Institute, with their improved methods for hiding facts, it is impossible to learn just how much of the rate payer's money goes into propaganda. It is commonly reported now that they have perfected more refined and subtle methods. It is said that a slush fund for propaganda and illicit expenses, such as the purchase of officials, is now built up by percentage rebates given managements of private utilities by the manufacturers and companies which sell the utilities electric apparatus. This fund goes into New York banks and is quietly passed through the country to pay for advertisements, meetings, "canned" newspaper editorials, and "influence." Only cash paid, no checks given, no receipts taken.

The opposition encountered by the courageous and able sponsors of the seven-county district would have terrified and discouraged men less stout-hearted. I have a collection of campaign literature put out by the private utilities which should be kept in the archives so that future generations of public-power users may have some understanding of the courage of their forbears. When the Bonneville Act was

pending in this Congress I insisted upon having written into it a section which would provide the services of Government experts who should help in the organization of public power districts proposing to distribute power from a Government-owned plant. I then foresaw the difficulties of newly organized groups without avenues of publicity and without the funds for campaigning. The private utilities spent thousands upon thousands of dollars for newspaper advertising, for printed and mimeographed statements which stuffed the mail boxes, for mass meetings, and for radio speeches by rural housewives and others, into whose mouths they put the most amazing bits of wisdom on utility policies. They organized "protective associations." They worked day and night with the announced purpose of protecting the simple people of these seven counties from their own folly. No public utility operating since electricity became available has ever exhibited such concern for the "welfare" of the consumers. Of course, this campaign was paid for by the users of electricity, and by the very rate payers who were persuaded by them to remain in bondage. The consumers will be paying for this campaign for months or years to come. The State public utilities commissioner rushed into the fray with the announcement that his beneficent organization would have "no control over rates charged by proposed public-utility districts"; and, "My department also would have no control over any indebtedness . . . authorized by the present utility district law." He went on to say that the privately owned utilities must answer to his office for every rate and expenditure, and that he would "insist that ultimate consumers of Bonneville power receive every benefit possible, if the power is distributed by existing privately owned electric companies." This is required by the Bonneville Act and should give the commissioner no concern. Is it any wonder that the margin against the seven-power utility district was 7,987 who preferred to remain under the protecting wings of the public utility commissioner who was so concerned for the private utilities?

TAXATION MADE THE BOGEY

In every fight for public power systems, taxation is the bogey. I have tried to make it clear in speeches on the floor of this House that private utilities operate on a cost-plus basis, that they levy hidden sales taxes but never pay any direct taxes. They simply collect taxes from the rate payers. It is a matter of nomenclature only. They pay a certain sum to a unit of government—county, city, or State, and they call that sum taxes, whereas, it is actually just a fixed portion of the consumer's electric power rates. A certain portion is assigned to power-company profits, a certain portion for public payments, and a very large and certain portion for propaganda which will keep the people from enjoying the benefits of cheaper rates and freedom in determining how the income shall be divided.

Under the Oregon law the State cannot tax publicly owned utilities. We have some very successful municipal public power plants, and they have, in lieu of taxes, lighted the city streets and public buildings, and they have in some places used their income for other city expenses, substituting light and power revenue for taxes. I am now collecting figures for tabular presentation of these facts. They will show conclusively that the public power plants actually contribute more toward the costs of government than do the private power plants which use the tax argument against public ownership. Taxation and general obligation bonds are not essential to the establishment of a public power district as revenue certificate bonds are marketable.

Another point which is of first importance and must not be overlooked in the struggle between public and private power is the fact that the private utilities never pay out and thus never get to the point where the rate base is not largely determined by their indebtedness. Publicly owned plants move forward to a debt-free status, with constantly diminishing rates. The private utilities may well fear the competition of publicly owned plants. The publicly owned

plants may well move toward the acquisition, at a fair valuation, of competitive privately owned utilities.

The real issue in the seven-county election in Oregon was then not power, but taxes. As a result of the ruling of the attorney general of the State, wide publicity was given by subsidized opponents to the contention that any bonds issued would become general obligation bonds, and that the power facilities would be tax-free. Through the written and spoken word, the private power companies carried the idea to the people that general obligation bonds meant a mortgage on the home and the farm, and being tax-free, the displaced power company taxes would be shifted to property owners. The tax-free argument was carried to ridiculous extremes. For example, there is a strong sentiment in Oregon for social security. Realizing this sentiment, subsidized opposition created the false impression that tax exemption would eliminate any social-security measures. People unfamiliar with the Oregon situation have been led to believe that stock ownership influenced the result. This is not the fact. The Portland private company in recent years sold about \$15,000,000 of fraudulent stock to their customers, with resulting heavy losses.

One of the gems brought out in this contest should be given wider publicity than it secured through the readers of the local paper at Canyon City, Ore. I therefore quote the comments of the editor of the Blue Mountain Eagle, Mr. Clint Haight, as he refers to one of the utility campaigners:

He blats out that the utilities cannot compete with Bonneville, because they pay a great bill of taxes, while Government plants pay none. What a beam of light!

It reminds one of a one-cylinder firefly defying the great orb of day. The electric light companies of Portland pay no taxes (unless undistributed profits). The consumer pays the tax; while the company is just a bill collector. Railroads pay no taxes; they collect from the shipper. Utilities have no "holler" coming, but the customer has, and the utilities have been good collectors and been pretty decent about it, and have not complained, because they did not pay it.

Taxes are part of the cost; like clerk hire, rents, upkeep, etc.; all added together, and presented to the consumer, in the form of a bill each month. No mystery in this.

A print shop and storekeeper does not pay for his clerks, light, rent, taxes, insurance, etc. He can't. The customer pays it, and he knows it, and so does everybody, for it is the only way business can be done; and that is proper, and sound economics. But to hear the Rajah of the Kingdom of Oregon Voter, one might think that the light companies of Portland pay their taxes out of their inheritances or their remittance from grandfather's estate.

PUBLIC POWER MOVES FORWARD

Public power advocates should be greatly heartened by this election, even though the cause was lost temporarily. It showed what a small army of raw recruits can do when up against seasoned troops, armed with every device possible of purchase with unlimited funds, and backed by agencies of Government which will allow them to write the costs into the consumers' bills. I rejoice that our people have the courage to come back for more elections. Those who voted against the project were frightened by the terrible stories of taxes and bonds and the bogies dressed up by the power companies. I am surprised that no fighter on the people's side thought to fix up a bogey which would have effectually scared the power companies and sent them running from the fray. It is only 10 years ago that these same people went into these same counties with a campaign, aided by these same newspapers and these same bankers, and these same chambers of commerce. That campaign had as its objective the confiscation of the savings of the people of those counties, under the guise of "investment" in Central Public Service, which was then the owner of Pepco, as well as of Seattle Gas. The operating company and its "investors" were swindled out of \$6,753,748, and the people who now use electricity in that section are paying rates sufficiently high to earn dividends upon that money stolen from the stockholders. It was reported to me that people of small means in a single one of these counties which voted "no" on the seven-county power project, lost over \$500,000 in that

ruthless utility raid. The facts were set forth in the Oregon papers again and again. People do, indeed, have short memories.

BONNEVILLE THE NATION'S YARDSTICK

Oregon, Washington, and Idaho have the opportunity to establish the yardstick of the Nation for the price of electric current. In years to come what will stand out as the great achievement of this administration? Undoubtedly the dams—Grand Coulee and Bonneville, on the Columbia River. You cannot repeal a dam. You cannot deceive all the people at the same time if you can get the facts to them. The believers in public distribution of power have no notion of quitting the fight. We are just making our plans for another battle, and then another, and another, if necessary. Believing in the justice of our cause, we shall continue until we win. We believe the leaders will be developed in the near future who will be able to convince the people of the justice of the cause of public ownership of all activities which, by their very nature, are monopolies.

Oregon is a State which has taken the lead in the Nation in the cause of the people's government. We have long had the initiative, the referendum, and the recall, and we gave to the Nation the idea of the popular election of Senators. The people have not changed. They have not become reactionary, nor are they timid utility dupes. The power election indicates only that a small majority of Oregon citizens have yielded momentarily to reactionary leadership. They will take a good look at this business. They will resolve to understand it, and they will find a way to get what they want. Bonneville, to the people of Oregon, means opportunity beyond anything ever before opened to them. Those who put over this public power campaign are the third generation of pioneers to whom Oregon will in the future pay homage. First, we had those who crossed the plains; then we had those who gave us our political institutions; now comes the group fighting to bestow upon Oregon a heritage of economic freedom.

THE YARDSTICK APPLIED

To show the great diversity in present rates and where the overcharges are most flagrant, I give herewith a rate table of a group of Oregon cities in my district, showing how these compare with our present yardsticks of Tacoma, Wash., and Eugene and Milton, Oreg., all publicly owned. These figures are for the most part from monthly bills secured by recent correspondence. A few items are from the 1937 rate series B of the Federal Power Commission. These tables show what publicly owned plants can do for people.

Twenty-five to forty kilowatt-hours per month represents consumption from lighting and small appliances. One hundred kilowatt-hours per month represents light, appliances, and refrigeration. Two hundred and fifty kilowatt-hours per month, electric stove in addition to above. Five hundred kilowatt-hours per month, water heating in addition to above.

Residential service charges

Community	Population	Monthly consumption (kilowatt-hour.)				
		25	40	100	250	500
Eugene	18,901	\$1.00	\$1.35	\$2.55	\$4.50	\$7.13
Tacoma, Wash.		1.13	1.52	2.12	3.62	6.12
Baker	7,858	1.98	3.03	4.98	8.23	11.98
Bend	8,848	1.91	2.76	4.56	8.06	10.06
Burns	2,599	2.75	4.40	5.80	9.10	11.60
Condon	940	2.39	3.17	4.97	8.27	10.27
Enterprise	1,379	2.43	3.20	5.00	8.20	10.20
Fossil	538	2.39	3.17	4.97	8.27	10.27
Heppner	1,190	2.39	3.17	4.97	8.27	10.27
Hood River	2,757	1.60	2.44	4.24	7.74	9.74
Klamath Falls	16,093	1.50	2.40	4.20	7.01	10.14
La Grande	8,050	1.98	3.03	4.98	8.23	11.98
Lakeview	1,799	3.00	4.80	6.40	9.90	12.40
Madras	291	2.04	2.99	4.79	8.29	10.29
Milton	1,876	1.57	2.11	3.57	6.62	7.62
Ontario	1,941	1.66	2.49	4.30	6.75	8.60
Pendleton	6,621	1.60	2.44	4.24	7.74	12.79
Prineville	1,027	2.04	2.99	4.79	8.29	10.29
The Dalles	5,833	1.60	2.44	4.24	7.74	9.74

Business-house bills

Community	Demand in kilowatts				
	0.75	1.5	3.0	6.0	12.0
	Kilowatt-hours per month				
	50	150	375	750	1,500
Eugene	\$1.80	\$3.90	\$8.40	\$15.90	\$30.90
Tacoma, Wash.	1.75	5.25	11.25	22.50	42.00
Baker	3.73	10.73	22.98	40.73	63.23
Bend	3.66	9.16	20.41	35.41	60.41
Burns	5.40	14.25	27.50	47.00	86.00
Hood River	3.10	9.10	20.85	38.10	63.10
Klamath Falls	3.00	9.00	21.25	35.00	57.50
La Grande	3.73	10.73	22.98	40.73	63.23
Milton	2.70	7.20	15.30	25.65	45.90
Ontario	3.04	8.54	18.35	31.85	53.45
Pendleton	3.10	9.10	20.85	38.10	63.10
The Dalles	3.10	9.10	20.85	38.10	63.10

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

CEMETERY EXPENSES

For maintaining and improving national cemeteries, including fuel for and pay of superintendents and the superintendent at Mexico City, and other employees; purchase of land; purchase of tools and materials; and for the repair, maintenance, and operation of motor vehicles; care and maintenance of the Arlington Memorial Amphitheater, chapel, and grounds in the Arlington National Cemetery, and that portion of Congressional Cemetery to which the United States has title and the graves of those buried therein, including Confederate graves, and including the burial site of Pushmataha, a Choctaw Indian chief; repair to roadways but not to more than a single approach road to any national cemetery constructed under special act of Congress; headstones for unmarked graves of soldiers, sailors, and marines under the acts approved March 3, 1873 (24 U. S. C. 279), February 3, 1879 (24 U. S. C. 280), March 9, 1906 (34 Stat. 56), March 14, 1914 (38 Stat. 768), and February 26, 1929 (24 U. S. C. 280a), and civilians interred in post cemeteries; recovery of bodies and disposition of remains of military personnel and civilian employees of the Army under act approved March 9, 1928 (10 U. S. C. 916); travel allowances of attendants accompanying remains of military personnel and civilian employees; for repairs and preservation of monuments, tablets, roads, fences, etc., made and constructed by the United States in Cuba and China to mark the places where American soldiers fell; care, protection, and maintenance of the Confederate Mound in Oakwood Cemetery at Chicago, the Confederate Stockade Cemetery at Johnstons Island, the Confederate burial plots owned by the United States in Confederate Cemetery at North Alton, the Confederate Cemetery, Camp Chase, at Columbus, the Confederate Cemetery at Point Lookout, and the Confederate Cemetery at Rock Island; and for care and maintenance of graves used by the Army for burials in commercial cemeteries, \$1,366,698, and in addition, \$25,000 of the appropriation "Cemetery expenses, War Department, 1938," such amount of such appropriation being hereby reappropriated: *Provided*, That no railroad shall be permitted upon any right-of-way which may have been acquired by the United States leading to a national cemetery, or to encroach upon any roads or walks constructed thereon and maintained by the United States: *Provided further*, That no part of this appropriation shall be used for repairing any roadway not owned by the United States within the corporate limits of any city, town, or village.

Mr. THOMASON of Texas. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. THOMASON of Texas: Page 3, line 16, before the colon, insert: "and of the total of such sums, \$25,000 shall be available for the development of the Fort Bliss National Cemetery, as authorized by the act of June 15, 1936 (49 Stat. 1514)."

Mr. SNYDER of Pennsylvania. Mr. Chairman, the committee accepts the amendment, inasmuch as it does not change the sum total of the item.

The amendment was agreed to.

The Clerk read as follows:

UNITED STATES HIGH COMMISSIONER TO THE PHILIPPINE ISLANDS

For the maintenance of the office of the United States High Commissioner to the Philippine Islands as authorized by subsection 4 of section 7 of the act approved March 24, 1934 (48

Stat., p. 456), including salaries and wages; rental, furnishings, equipment, maintenance, renovation, and repair of office quarters and living quarters for the High Commissioner; supplies and equipment; purchase and exchange of lawbooks and books of reference, periodicals, and newspapers; traveling expenses, including for persons appointed hereunder within the United States and their families, actual expenses of travel and transportation of household effects from their homes in the United States to the Philippine Islands, and return, utilizing Government vessels whenever practicable; operation, maintenance, and repair of motor vehicles, purchase and exchange of three automobiles at prices not to exceed \$2,600 for one and \$1,200 each for two, and all other necessary expenses, \$181,930, of which amount \$2,500 shall be available as of April 1, 1938, and of which amount not exceeding \$10,000 shall be available for expenditure in the discretion of the High Commissioner for maintenance of his household and such other purposes as he may deem proper: *Provided*, That the salary of the legal adviser and the financial expert shall not exceed the annual rate of \$10,000 and \$9,000 each, respectively: *Provided further*, That section 3709 of the Revised Statutes (41 U. S. C. 5), shall not apply to any purchase or service rendered under this appropriation when the aggregate amount involved does not exceed the sum of \$100.

Mr. ENGEL. Mr. Chairman, I make a point of order against this paragraph on the ground that the part of the paragraph commencing on page 5, line 8, with the word "of," and going down to the word "*Provided*," in line 13, is legislation on an appropriation and therefore not authorized.

Mr. SNYDER of Pennsylvania. Mr. Chairman, this seems to me to be a border-line case and that the Chair might logically rule either way. The office of the Philippine High Commissioner was created in the act of March 4, 1934 (48 Stat. 456-465). In subsection 7 of section 4 of that act it is provided that—

The United States High Commissioner shall receive the same compensation as is now received by the Governor General of the Philippine Islands.

I wish to emphasize that word "compensation."

The first appropriation for this office was carried in the First Deficiency Appropriation Act, fiscal year 1935. The gentleman from New York [Mr. TABER], the ranking Republican member of the Committee on Appropriations, was a member of the subcommittee which reported that bill, which evidently was influenced to allow this \$10,000 item because of that word "compensation." During the hearings on that bill the then chairman, Mr. BUCHANAN, made this inquiry of General Cox, who was then Chief of the Bureau of Insular Affairs:

The question is: Under the law, can compensation be held to include only the salary? I am talking about the law.

General Cox replied—

It is my understanding that compensation includes both salary and other allowances.

Now, later, Mr. Chairman, when the appropriation for this office was first considered by the War Department subcommittee, which was for the fiscal year 1937, this very item was under consideration, and here is the testimony at that time:

Mr. DOCKWEILER. Then there is also an item of \$10,000 for special and miscellaneous expenses. What is that for?

Colonel STOCKTON. It is a discretionary fund. The Governor General had a much larger allowance than that, sir.

Mr. DOCKWEILER. What amount?

Colonel STOCKTON. The Governor General had an item of \$15,000, and the appropriation act of the Tenth Philippine Legislature for 1935 provides that the fund shall be expended in the discretion of the Governor General, amounting to 30,000 pesos.

The point is, Mr. Chairman, that the act I have cited—the act of March 4, 1934, provided that the High Commissioner should receive the same compensation as the Governor General had been receiving, and it would seem from the testimony I have quoted that the view heretofore entertained has been that compensation does not refer to salary alone, but embraces this extra allowance which the High Commissioner may expend at his discretion, because the Governor General previously had been granted such an allowance.

Mr. ENGEL. Mr. Chairman, under this provision the High Commissioner has discretion to spend this \$10,000 for

any purpose he may deem proper. He can buy cats or dogs or liquor or anything else. I know of no law which authorizes him to spend money at his discretion. Surely there is no law which gives him the right to spend money in that way. I maintain that it is clearly legislation and for that reason I make the point of order against it.

The CHAIRMAN. The question in the mind of the Chair is whether or not the law authorizes such an appropriation. The gentleman from Pennsylvania [Mr. SNYDER] admits that this is on the border line. The Chair followed the gentleman's reasoning, but the only law that the Chair has been able to discover that bears directly upon this with reference to authorizing anything other than the salary of the High Commissioner, is found in the United States Code, title 48, which provides that his salary—

Shall be \$18,000, and in addition thereto, that he shall be entitled to the occupancy of the building used prior to August 20, 1916, by the Chief Executive of the Philippines, with the furniture and effects therein.

What bothers the mind of the Chair is that there is nothing there to indicate that the High Commissioner can use his discretion to spend the amount of money mentioned in the bill. It occurs to the Chair that the language objected to and to which the point of order is made, beginning in line 8 with the word "of," down to and including the word "proper" in line 13, is legislation on an appropriation bill, and the Chair, therefore, sustains the point of order.

Mr. TARVER. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. TARVER: Page 5, line 8, after the word "expenses", strike out "\$181,930" and insert in lieu thereof "\$176,400."

Mr. ENGEL. Mr. Chairman, I understood that the entire section had gone out.

The CHAIRMAN. The Chair understood the gentleman from Michigan made the point of order and specifically stated that the point of order was to the language beginning with the word "of" in line 8, down to and including the word "proper" in line 13. The Chair understood that to be the gentleman's original point of order.

Mr. ENGEL. I made the point of order against the paragraph upon the ground that that part of the paragraph to which the Chair refers is subject to a point of order, but I accept the ruling of the Chair that it strikes out just those lines and so modify my point of order.

The CHAIRMAN. The Chair will so hold; therefore the amendment of the gentleman from Georgia to other portions of the paragraph is in order.

Mr. TARVER. Mr. Chairman, while we are spending billions of dollars, I do not know whether the House will be much interested in saving \$5,530. Look at page 5 of the committee report and see what the \$5,530 is for. It is an allowance by the committee over the Budget. Keep in mind that the Budget authorized an increase of approximately \$28,000 for the office of the High Commissioner for the fiscal year 1939, over what has been appropriated for the present fiscal year. But Governor McNutt appeared before the committee and convinced them they ought to give \$5,530 above that, and it is that increase over the Budget that I am attempting to strike out by this amendment.

If gentlemen will examine the report on page 5, as suggested, they will find that the \$5,530 is to increase the salary of 14 employees of the High Commissioner and to add 5 additional employees. It appears that he already has employed and looking after his comfort in this palace that is provided in Manila approximately 40 employees, and it is desired here to increase the salary of 14 of them and to add 5 more. These employees appear to be largely of a character that minister to the personal comfort and happiness of the High Commissioner, such as caretakers, gardeners, janitors, laborers, and three chauffeurs. The High Commissioner is provided with three chauffeurs at the expense of the Government. Under the Budget estimates alone, as I pointed

out, he has \$28,000 beyond what was provided for the present fiscal year, and it does seem to me he ought to be able to struggle along on that and that the Government ought not to be requested to give \$5,530 above the Budget for the purpose of increasing the salaries of his personal employees or the employees of his office who look after the palace and the grounds, and for the addition of five employees, and it is with the thought in mind that you might be willing to accept this minor economy of approximately \$5,000 in times when we are spending billions very free-heartedly that I have offered the amendment.

My effort is simply to save a little of the money appropriated for the office of the High Commissioner. I see no justification for going above the Budget estimate. It is proposed to furnish him and officials under him a palace at the cost of \$15,000 a year for rent, and it is proposed to build a new palace at a cost, I believe, between one-half and three-quarters of a million dollars, and this at a time when we are fixing to get out of the Philippines and turn the country back to its own people. These matters are extravagances, from my point of view; and while I am not trying by this amendment to correct the major portion of these unwarranted expenditures, I am saying that this small item of increase for additional employees and for increase of salary over the Budget estimate should be stricken out. The proposed expenditure for a new palace is not in this bill.

[Here the gavel fell.]

Mr. SNYDER of Pennsylvania. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I should like to relate a few facts. There was asked, and reasonable justification was made for, \$18,760 for these various positions to which the gentleman's amendment refers, and certain other positions. After due consideration, the committee cut the amount from \$18,760 to \$5,530.

Mr. TARVER. Mr. Chairman, will the gentleman yield?

Mr. SNYDER of Pennsylvania. No; not at this time.

The gentleman from Georgia spoke of increases, but he did not speak of decreases. There was an increase of 10 in the number of positions, but there was a decrease in the same number, 10. I ask you to follow me just a minute as I refer to the report. Six American clerks at an average of \$3,060 each instead of \$2,850; 4 messengers at \$407 each instead of 6 messengers at \$200 each; 2 American caretakers at \$1,500 each; 12 gardeners, janitors, and laborers at \$240 each instead of 7 at \$286 each.

The committee heard the High Commissioner himself in support of these items. Mr. McNutt has no personal interest in them. He is leaving the islands October 1. He said it made no difference at all to him personally whether or not we approved his recommendations; that he was there as the servant of the United States Government to run his job as the law contemplates, and that his task, or his successor's, could be performed more efficiently and effectively if provision were made for the staff of his office after the manner proposed by him to the committee.

Mr. Chairman, I ask that the amendment be voted down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia.

The question was taken; and on a division (demanded by Mr. TARVER) there were—ayes 16, noes 32.

So the amendment was rejected.

The Clerk read as follows:

CORPS OF ENGINEERS
RIVERS AND HARBORS

To be immediately available and to be expended under the direction of the Secretary of War and the supervision of the Chief of Engineers, and to remain available until expended:

For the preservation and maintenance of existing river and harbor works, and for the prosecution of such projects heretofore authorized as may be most desirable in the interests of commerce and navigation; for survey of northern and northwestern lakes and other boundary and connecting waters as heretofore authorized, including the preparation, correction, printing, and issuing of charts and bulletins and the investigation of lake levels; for prevention of obstructive and injurious deposits within the harbor and adjacent waters of New York City; for expenses of the California Debris Commission in carrying on the work authorized by

the act approved March 1, 1893 (33 U. S. C., 661); for removing sunken vessels or craft obstructing or endangering navigation as authorized by law; for operating and maintaining, keeping in repair, and continuing in use without interruption any lock, canal (except the Panama Canal), canalized river, or other public works for the use and benefit of navigation belonging to the United States; for payment annually of tuition fees of not to exceed 45 student officers of the Corps of Engineers at civil technical institutions under the provisions of section 127a of the National Defense Act, as amended (10 U. S. C., 535); for examinations, surveys, and contingencies of rivers and harbors; for printing and binding, and office supplies and equipment required in the office of the Chief of Engineers to carry out the purposes of this appropriation, including such printing as may be authorized by the Committee on Printing of the House of Representatives, either during a recess or session of Congress, of surveys authorized by law, and such surveys as may be printed during a recess of Congress shall be printed, with illustrations, as documents of the next succeeding session of Congress, and for the purchase (not to exceed \$173,340) of motor-propelled passenger-carrying vehicles and motorboats, for official use: *Provided*, That no funds shall be expended for any preliminary examination, survey, project, or estimate not authorized by law, nor for any work upon or incident to the project to extend the channel of the Mississippi River above St. Anthony Falls, \$70,-020,000, and, in addition, there is hereby reappropriated for the objects embraced by this paragraph \$24,000,000, or such lesser sum as may remain unobligated on June 30, 1938, of the appropriations "Emergency relief, War, Corps of Engineers, flood control, general (act July 19, 1937), 1938," and "Emergency relief, War, Corps of Engineers, flood control, Mississippi River and tributaries (act July 19, 1937), 1938": *Provided further*, That from this appropriation the Secretary of War may, in his discretion and on the recommendation of the Chief of Engineers based on the recommendation by the Board of Rivers and Harbors in the review of a report or reports authorized by law, expend such sums as may be necessary for the maintenance of harbor channels provided by a State, municipality, or other public agency, outside of harbor lines and serving essential needs of general commerce and navigation, such work to be subject to the conditions recommended by the Chief of Engineers in his report or reports thereon: *Provided further*, That no appropriation under the Corps of Engineers for the fiscal year 1939 shall be available for any expenses incident to operating any power-driven boat or vessel on other than Government business: *Provided further*, That not to exceed \$3,000 of the amount herein appropriated shall be available for the support and maintenance of the Permanent International Commission of the Congresses of Navigation and for the payment of the actual expenses of the properly accredited delegates of the United States to the meeting of the congresses and of the commission.

Mr. JOHNSON of Minnesota. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. JOHNSON of Minnesota. Mr. Chairman, I make the point of order against the language beginning with the proviso in line 9, page 7, and ending with the figures "1938" in line 21 reading as follows:

Provided, That no funds shall be expended for any preliminary examination, survey, project, or estimate not authorized by law, nor for any work upon or incident to the project to extend the channel of the Mississippi River above St. Anthony Falls, \$70,-020,000, and, in addition, there is hereby reappropriated for the objects embraced by this paragraph \$24,000,000, or such lesser sum as may remain unobligated on June 30, 1938, of the appropriations "Emergency Relief, War, Corps of Engineers, Flood Control, General (act July 19, 1937), 1938," and "Emergency Relief, War, Corps of Engineers, Flood Control, Mississippi River and Tributaries (act July 19, 1937), 1938."

On the ground that this is legislation on an appropriation bill not coming within the purpose and purview of the Holman rule, that it is general in nature and exceeds the authority of this act and may influence other moneys appropriated by this Congress carrying over even into the public-works program.

The CHAIRMAN. Does the gentleman from Pennsylvania [Mr. SNYDER] desire to be heard?

Mr. SNYDER of Pennsylvania. Mr. Chairman, I concede the point of order from line 9, following the word "*Provided*" on down to and including the words "St. Anthony Falls", in line 13. I concede the point of order to that extent.

The CHAIRMAN. Does the gentleman from Minnesota [Mr. JOHNSON] limit his point of order to the language indicated by the gentleman from Pennsylvania [Mr. SNYDER]?

Mr. JOHNSON of Minnesota. Mr. Chairman, I limit my point of order to the words suggested by the chairman of the Subcommittee on Appropriations.

The CHAIRMAN. The Chair sustains the point of order.

Mr. SNYDER of Pennsylvania. Mr. Chairman, I offer an amendment which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. SNYDER of Pennsylvania: Page 7, line 9, after the word "Use", insert "": *Provided*, That no part of this appropriation shall be expended for any preliminary examination, survey, project, or estimate not authorized by law, nor for any work upon or incident to the project to extend the channel of the Mississippi River above St. Anthony Falls."

Mr. JOHNSON of Minnesota. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. JOHNSON of Minnesota to the committee amendment: Strike out of the committee amendment the following words: "nor for any work upon or incident to the project to extend the channel of the Mississippi River above St. Anthony Falls."

Mr. JOHNSON of Minnesota. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes inasmuch as this is a rather technical subject.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. JOHNSON of Minnesota. Mr. Chairman, the amendment I have offered strikes out the words on page 7, lines 11 to 13, "nor for any work upon or incident to the project to extend the channel of the Mississippi River above St. Anthony Falls." The reason I offer the amendment striking out that language is because I believe the Committee on Appropriations in effect is legislating rather than appropriating. Myself and others have asked for an appropriation for the completion of this project, which was authorized by Public, No. 392, passed by this Congress and signed by the President last year. Under this authorization \$102,000 has already been spent in drawing plans and making preliminary surveys, both engineering and geological, in the city of Minneapolis to extend the 9-foot channel 4.8 miles farther up into the city of Minneapolis where the industries are located.

It is a peculiar thing that in this program the city of Minneapolis has had to fight for 8 years down here to get hooked onto or connected with the 9-foot-channel program from St. Louis to Minneapolis. Minneapolis is a city having a population of 464,356 people, according to the last census. With the exception of our sister city, St. Paul, Minneapolis has a greater population by 50,000 than the following cities on the Mississippi River from St. Louis to Minneapolis: Hastings, Red Wing, Winona, La Crosse, Dubuque, Clinton, Rock Island, Davenport, Muscatine, Moline, Fort Madison, Burlington, Keokuk, Quincy, and Alton.

These are cities along the Mississippi River from St. Louis to Minneapolis, the latter having a population of 464,356, as I previously stated. The combined population of all the other cities served along that river is only 415,000. It does not look to me like good business or even good horse sense to have a blind alley going all the way from St. Louis to Minneapolis, then leave Minneapolis out of the picture with its flour mills and that great distributing area of the Northwest right at its door.

The Republican administration first authorized this job and spent \$5,000,000. When Franklin Roosevelt was elected President, in July 1934 he made a personal survey trip upon that river. He has espoused the program and the New Deal has spent \$135,000,000 on this job in addition to the \$5,000,000 spent by a former Republican administration.

Mr. Chairman, the Government today has \$140,000,000 invested. The annual interest on that investment is \$4,230,000 and I may say this is interest on the investment alone. It is within \$200,000 of the four and one-half million dollars that you are allocating in this bill for the completion of the job, but you are not completing the job. By this kind of language you are shutting the door.

I am informed that under the language of this bill no money under the public spending program can be spent on that project in Minneapolis. I received this information from the War Department. The question was first raised by two railroad attorneys before the subcommittee, and I am not saying anything against them because they are citizens and are entitled to be heard. The subject matter was put in

the bill and this city with a half million population and the Northwest generally was not given a chance. By the language of this proposed amendment you are in effect striking out work involving 8 years of preliminary studies and surveys by the Army engineers.

Now, may I say a word on the question of legislating by an appropriation bill?

There is a letter here from John L. Schley, major general, Chief of Engineers, to Harry Woodring, Secretary of War, as late as February 26, 1938, and in concluding the letter, General Schley states, "In view of the terms of the item of law quoted above, no further action by Congress appears to be necessary."

We went before the committee and asked for the money. We did not get the money, but in addition to not getting the money we got a sort of an anomalous condition, a set of words which nullifies all the work and all the effort put forth by Minneapolis and the farm organizations of the Northwest to get into this Mississippi River improvement program. We are part and parcel of the whole set-up, of the Missouri River system, of the whole Mississippi system, and of the Ohio system. There are 21 States that border and shore line these rivers, as against 23 States bordering on the Atlantic and Pacific Oceans.

We do not get any money under this bill. Since we do not get any money, why should we get this very unusual honor? Why should we be singled out alone of all the projects passed by this Congress for this sort of consideration and this sort of language? I believe my amendment should be adopted and this provision should be stricken from the bill, in all fairness, in all justice, and in all honesty.

Another point that might be raised is that if this job is completed from St. Louis to Minneapolis and the New Deal will have invested \$156,000,000 when the present authorized funds have been expended, and you have created 26 shining, scintillating, perpetual monuments of steel and concrete in the shape of dams across the Mississippi, and you leave Minneapolis, a city of over a half million people today, out of the picture, although it is larger than all the other towns on the river put together, you are not doing a very smart thing or a very businesslike thing. These monuments are made out of concrete and steel. They will be perpetual monuments to folly, if this condition is not corrected. Just think of it, 700 miles or river, with 26 locks and dams, a veritable blind alley.

You can bring your barges past all these smaller cities and towns but when you bring them up to the big elevators of the Northwest at Minneapolis, up to the flour mills where we are milling 6,000,000 barrels of flour a year, up to the point where the railroads pick up and carry into the Northwest, there you have erected a wall. There you have this situation, a sort of a blind alley. In fact, you might call it a program dedicated to the headless horseman of Sleepy Hollow.

Mr. BUCKLER of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Minnesota. I yield to the gentleman from Minnesota.

Mr. BUCKLER of Minnesota. I agree with what the gentleman has stated in regard to setting Minneapolis on this waterway. Minneapolis is the grain market for the Northwest—Minnesota, North Dakota, and Montana. When you shut off Minneapolis you shut off the farmers of the Northwest from the benefit of this river traffic. I hope the amendment will be adopted.

Mr. JOHNSON of Minnesota. I thank the gentleman.

We have been fighting for 8 years for this project. It is endorsed by farm organizations, by the business organizations of Minneapolis, and by the labor organizations. The two railroad lawyers who came before the committee are from the city of St. Paul, but they did not raise a voice against any works in the city of St. Paul on this river. Why should they object at this time?

This is the most onerous thing of all. Presumably we are going into a spending program, and I probably will

vote for it. Why should we tie the hands of the War Department and the Army engineers from using this money on a sensible and a good project?

[Here the gavel fell.]

Mr. COLLINS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I hope the membership of this House will understand what is involved in this proposal of my friend, the gentleman from Minnesota. The Mississippi River is navigable to the municipal docks in the city of Minneapolis. There is a 9-foot channel to the municipal docks in the city of Minneapolis. The proposal of the gentleman who has offered the amendment provides for the Mississippi River being made navigable a further distance of about $3\frac{1}{2}$ or 4 miles above the present municipal docks of the city of Minneapolis. It would be necessary to build at least two dams and other construction work in order to make the river navigable above St. Anthony Falls this distance of $3\frac{1}{2}$ or 4 miles, and it would cost approximately \$3,000,000. I maintain they have navigation now to the city of Minneapolis, and what is the necessity of this further extension?

Naturally, the railroads that have erected buildings abutting the river and constructed bridges across the river would object to having to rebuild them. At least two of them are now in receivership. These bridges that it would be necessary to reconstruct or alter in one way or another, and there are eight of them across the river, would cost \$1,774,000. The city of Minneapolis and the railroads would have to do that work. I say they would have to do that work, but, as a matter of fact, the Federal Government would have to do it, because they would have to come to the Federal Government to get the money.

Now, at the time this committee wrote up this bill there was no report from the Engineer Corps of the Army. Since then there has been one, and let me read you some excerpts from prior reports of the Engineer Corps of the Army, statements that have been made in the past as to the advisability of doing this work.

Here is Public Document No. 137, Seventy-second Congress, page 48, where it is stated:

It is therefore concluded that the difficult work required to carry navigation above St. Anthony Falls is not justified at the present time.

Mr. JOHNSON of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. COLLINS. Not now.

Mr. JOHNSON of Minnesota. Will the gentleman give me the date of that report? Was it not 6 years ago?

Mr. COLLINS. I am going to give you one later than that.

Mr. JOHNSON of Minnesota. Will the gentleman give me the report as of February 26, 1938?

Mr. COLLINS. I have stated that this is House Document No. 137, Seventy-second Congress, page 48, and here is another one of February 20, 1936, a communication of J. N. Hodges, colonel, Corps of Engineers:

The principal ground upon which an adverse conclusion was based was that the present terminal is capable of enlargement to handle greatly in excess of the present traffic and the extension project should await definite demonstration through more complete uses of the existing terminal space at Minneapolis and St. Paul of the need of the proposed improvement sufficient to warrant the United States in undertaking the extension.

Now, what do the business people of the city of St. Paul have to say about it?

[Here the gavel fell.]

Mr. COLLINS. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. COLLINS. Now, here is a resolution that was adopted:

Whereas it has been represented to the joint committee representing the Minneapolis Traffic Association, the Taxpayers' Association, and the Minneapolis Civic and Commerce Association by written evidence of the city planning engineer and by additional oral assurances from others that the building of two locks and

the opening of a 9-foot channel to the north city limits of Minneapolis by the United States Government will not require the change of any city or railroad bridge and will not involve the city of Minneapolis with any expense or additional tax burden, other than the lowering of one water main below the falls of St. Anthony, at a cost not to exceed \$20,000—

And so on—

Resolved, That the undersigned members of the joint committee recommend to their respective organizations, namely, the Minneapolis Traffic Association, the Taxpayers' Association, and the Minneapolis Civic and Commerce Association that they approve and support the building of two locks and the opening of a 9-foot channel to the north city limits of Minneapolis by the Federal Government on condition that there will be no changes or charges or expense imposed in respect to existing railway or city bridges and no expense or additional tax burden to the city of Minneapolis other than the cost of lowering one water main at a cost not to exceed \$20,000.

In other words, if Santa Claus is going to do this, well and good, but if it is going to cost them anything, that is a different matter.

I say to you it is going to cost \$1,774,000 to alter these bridges, and, mind you, these bridges were constructed at a time when there was no navigation at this particular point in that river, or even dreamed of.

This amendment ought to be voted down. [Applause.]

Mr. JOHNSON of Minnesota. Mr. Chairman, I move to strike out the last word.

You know when you start to talk about Government documents and reports, and I am speaking now of the gentleman from Mississippi [Mr. COLLINS], you should be sure that you have the last reports. The last report of the Army engineers is dated February 26, 1938, and rebuts absolutely everything Mr. COLLINS has said, because he has dug up old reports, and those old reports only prove one thing, and that is that Army engineers when they go into a study do a real job and do not jump off the bridge before they have found out whether there is any water below or not. It only proves that the Army engineers are reliable, and this is their last report:

Under the terms of the authorization, these plans have my approval.

This is February 26, a letter of General Schley. This was also approved by Harry Woodring no later than about a month ago. They have been approved by the entire Board of Army Engineers, and when you say that the city of Minneapolis is not willing to pay for the bridge cost, the city of Minneapolis, on November 15 last fall, sent down 15 city officials who met with the Army engineers and showed a resolution passed by the council pledging 100-percent payment and cooperation for all bridge changes.

Mr. BOILEAU. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Minnesota. Not just now. I will yield if I can get more time.

In addition to this, we are legislating on an appropriation bill.

This is now before the Army engineers. The Army engineers are now studying the plan of using the same type of Diesel tugs up there that are used in Chicago, and if that is true your \$1,774,000 argument is beside the point. You will only have to change one bridge in the city of Minneapolis. The point is this: When you start out to do something for a community do it for the community, do not do a halfway job. Do not leave a headless horseman running around; do not let your New Deal administration spend \$156,000,000 and still leave the biggest city of all on the river outside of St. Louis off the river, and when it is said that the channel goes to Minneapolis, that is true. It goes to the south edge of the city, down where the bluffs are 125 feet high, where you cannot get down. The whole industrial part of the city is above St. Anthony Falls, and if you are going to make this channel a paying proposition and a credit to the New Deal you have to have the northwest tonnage in this job to put it over.

Mr. COLLINS. The gentleman knows that Minneapolis has built docks down there.

Mr. JOHNSON of Minnesota. Yes; Minneapolis has kept its word. We were asked by the Army engineers to show

our confidence in this program. The city of Minneapolis has already spent \$1,000,000 building a terminal below that nobody can use. You cannot get trucks or trains down there; you practically have to handle your goods three or four times, and the city stands ready to scrap that program, and I say that if you cannot give us any money, then take this language out of the bill so that we can get on with our work, and get the money at the proper time. I do not question the right of the committee to cut money out of a bill, but I honestly question the right of an appropriation committee to put riders on the bill after hearing only two railroad lawyers, and I know that the New Deal does not mean that kind of a parliamentary procedure.

Mr. BOILEAU. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Minnesota. Yes.

Mr. BOILEAU. As I understand this whole paragraph, it appropriates this money to the Corps of Engineers and gives them carte blanche to spend the money as they see fit, almost. About the only limitation upon the activities of the Corps of Engineers is the language to which the gentleman has referred. It seems to me that is conclusive evidence of the fact that the committee knows that the Corps of Engineers would, if given authority, go on and carry out this project, because they believe in it, and it seems to me that conclusively proves that the Corps of Engineers approves of this project.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. JOHNSON of Minnesota. I ask unanimous consent to proceed for 2 minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. JOHNSON of Minnesota. This House and the Senate have done a wonderful job on this program. There are a lot of guaranties in the bill passed last year. The following language is provided in the authorization bill of last year, Public, No. 392:

Final approval of the plan by the Board of Engineers for Rivers and Harbors as is necessary to provide adequate terminal facilities for Minneapolis.

Then the engineers came back in their report of February 26, 1938, and use language to the effect that this plan is contingent upon a final plan on bridge alterations worked out by the Federal Government, the railroads involved, and by the city of Minneapolis, and we are working on a program now. We know that we have to compromise in order to work this plan out, and it has been in the spirit of compromise all the way. Here are 8 years of work to be destroyed by some unhappy words. I think the committee could not have known about it because they have not participated in all these deliberations over a period of 8 years. They heard only two railroad lawyers and what they had to say, and I think the House ought to accept my amendment and take those words out of the bill, and leave the situation where it is, for compromise between the city of Minneapolis and the Army engineers to work out this solution of the whole program.

The CHAIRMAN. The time of the gentleman from Minnesota has again expired.

Mr. POWERS. Mr. Chairman, I ask unanimous consent that all debate upon this amendment and the amendment to the amendment close in 5 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. TERRY. Mr. Chairman, I move to strike out the last word. The gentleman who spoke in favor of this amendment evidently thinks that there is only one city on the Mississippi River. The Government has spent about \$140,000,000 so far on this project of making a 9-foot channel in the Mississippi River between the Missouri River and Minneapolis. In this year's Budget there is allocated the sum of \$4,965,000 to further carry out the project. There are 26 locks and dams on the Mississippi River that are already included in this project. There are 26 cities on the Mississippi that are getting the benefit from this deep channel.

The subcommittee that had this matter in charge did not listen merely to a couple of railroad lawyers, as intimated by the gentleman from Minnesota, but Representatives in Congress came before our committee, and the gentleman from Minneapolis, who has interested himself in favor of this project, also came before our committee. As was told to you by the gentleman from Mississippi [Mr. COLLINS], this project goes up to the lower end of Minneapolis.

It goes to the docks at the lower end of the city. To complete the canalization of the river from that point to the upper end of the city, a distance of about 3½ miles, will cost in the neighborhood of \$8,000,000. We think there should be further study of this proposition, especially in view of the fact that the division and allocation of the expenses involved in changing and altering the bridges across the river, changes which will have to be made if the project is carried out, have not been made. This additional expense will amount to \$1,700,000. The city is willing to do its part, I presume, with respect to municipal bridges, but nothing has been agreed upon in regard to the railroad bridges or who shall pay for that change. This committee, in its good judgment, thought it would be proper to carry this on over this year with the \$4,565,000 appropriation for this work in the present bill, and let the project to go above St. Anthonys Falls go over for further study as to whether the Government of the United States shall pay nearly \$8,000,000 additional. I say, Mr. Chairman, that we should not at this time incur this additional expense without further study.

Mr. JOHNSON of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. TERRY. I yield.

Mr. JOHNSON of Minnesota. Is it not true that no money is appropriated in this bill for this project; in other words, that the thing the gentleman is doing is to blackball this project?

Mr. TERRY. There is included in the appropriation for 1939 for the project of the 9-foot channel the sum of \$4,565,000.

Mr. JOHNSON of Minnesota. That is below this particular point.

Mr. TERRY. That is in the total project. There is nothing in this bill specifically to provide for carrying the project above St. Anthonys Falls.

Mr. Chairman, I ask that the Committee vote down the amendment.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota to the committee amendment.

The question was taken; and on a division (demanded by Mr. JOHNSON of Minnesota) there were—ayes 22, noes 46.

So the amendment was rejected.

The CHAIRMAN. The question recurs on the committee amendment.

Mr. SAUTHOFF. Mr. Chairman, I object to the vote on the ground there is not a quorum present.

Mr. POWERS. Mr. Chairman, I make the point of order that the point of order comes too late.

The CHAIRMAN. The gentleman was on his feet seeking recognition when the Chair put the last question. The Chair thinks that in fairness to the gentleman from Wisconsin the point of order should be overruled. The point of order is overruled.

The gentleman from Wisconsin objects to the vote on the ground that there is not a quorum present. The Chair will count. [After counting.] One hundred and eight Members are present, a quorum.

The question recurs on the committee amendment.

The committee amendment was agreed to.

Mr. CULKIN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, my first intention was to offer an amendment to this bill increasing the lump sum to the Engineer Corps under this provision for the purpose of making

sufficient provision for the continued deepening of the Barge Canal in New York State. The Barge Canal in New York State is an active canal carrying tonnage to the amount of 6,000,000 tons a year, 90 percent of which is interstate. Some 3 years ago the Congress authorized \$27,000,000 for its deepening to a 12-foot navigable depth. That was to be expended at the rate of \$5,000,000 a year. May I say that this canal goes through a populous section. Relief is a present necessity in that locality; yet here we find the committee, according to its schedule, has cut down this appropriation something over \$3,000,000.

The project is entirely economic, sound, and is necessary in the present situation of that locality. I am merely taking the time of the House now so as to advise the Members of the situation, for I make the prediction that when this bill comes back from the other body that this amount will be increased. I do not think it will be done here, but over in the other body they have a way of doing these things when they are based on sound economy and national and local necessity. So at that time, not now, I am going to ask your intelligent and sympathetic consideration of the increase they make over there. Thank you. [Applause.]

I am including in the Record, pursuant to the permission of the House, a letter received today from the chief engineer of the Department of Public Works of the State of New York. It is as follows:

STATE OF NEW YORK,
DEPARTMENT OF PUBLIC WORKS,
DIVISION OF ENGINEERING,
Albany, N. Y., April 19, 1938.

Hon. FRANCIS D. CULKIN,

House of Representatives, Washington, D. C.

MY DEAR CONGRESSMAN CULKIN: News dispatches today contain information that a bill presented to the House for river and harbor work included an item of \$1,750,000 for the Great Lakes-Hudson River Waterway (New York State Barge Canal Improvement).

For the past 3 years there has been allotted to New York State \$5,000,000 to carry on the work of the improvement, total estimated cost of which is \$27,000,000.

I believe there should be made available for the present year an allotment of at least \$5,000,000. With any lesser amount the program of the improvement will be seriously delayed and navigation interests will suffer. Construction plant and personnel have been assembled in this area to carry out the improvement at the rate of \$5,000,000 annually. If funds are reduced this construction plant and personnel will disperse, and to reassemble the plant and personnel for this work will cause expense and delay.

The engineering forces of the State and the United States in charge of this work are both organized to carry out work on the basis of \$5,000,000 annually. The lesser allotment would mean a disruption of both organizations.

While the work already accomplished has provided material improvements to the canal channel and that navigation has been undoubtedly benefited, it is a fact that until the project is completed, navigation interests cannot realize its full benefits. If any portion of the canal is less than full project depth, the loading of boats and the speed of travel will be materially restricted. It is therefore highly essential that the improvement be carried through to completion as soon as possible.

Very truly yours,

T. F. FARRELL, Chief Engineer.

Mr. SNYDER of Pennsylvania. Mr. Chairman, I offer a committee amendment.

The Clerk read as follows:

Committee amendment offered by Mr. SNYDER of Pennsylvania: Page 7, line 16, strike out "June 30, 1938" and insert in lieu thereof "April 21, 1938, which subsequently may be ascertained to have been unobligated on such date."

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The Clerk read as follows:

FLOOD CONTROL

Flood control: For the construction of certain public works on rivers and harbors for flood control, and for other purposes, in accordance with the provisions of the Flood Control Act, approved June 22, 1936, as amended (49 Stat. 1570-1595; 50 Stat. 517-518, 876-881), and the act of August 25, 1937 (50 Stat. 806), including printing and binding, and office supplies and equipment required in the Office of the Chief of Engineers to carry out the purposes of this appropriation, the purchase (not to exceed \$33,250) of motor-propelled passenger-carrying vehicles

and motorboats for official use, and not to exceed \$3,000,000 for preliminary examinations and surveys of flood-control projects authorized by law, \$82,000,000: *Provided*, That \$3,000,000 of this appropriation shall be transferred and made available to the Secretary of Agriculture for preliminary examinations and surveys for run-off and water-flow retardation and soil-erosion prevention on the watersheds of flood-control projects authorized by law, including the employment of persons in the District of Columbia and elsewhere, purchase of books and periodicals, printing and binding, rent in the District of Columbia, purchase (not to exceed \$75,000) of motor-propelled passenger-carrying vehicles and motorboats, and for other necessary expenses.

Mr. MURDOCK of Utah. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time to call attention to the item of \$82,000,000 carried in this paragraph of the bill. It is often said in this House that the group of Representatives who are particularly interested in reclamation and the group of States which are absolutely dependent upon reclamation get a lot more than we are entitled to. I rise at this time to call attention to an excerpt from the President's message, which is quoted on page 11 of the report on this bill, as follows:

I recommend an appropriation of \$37,000,000 over and above estimates for the immediate undertaking of flood control and reclamation work, to be expended on projects already authorized by this or former Congresses.

We from the reclamation States take the position that there should be just as much emphasis placed on the word "reclamation" in connection with this \$37,000,000 as on the words "flood control," but we find in this bill that the flood-control people have taken the entire \$37,000,000 recommended by the President and have appropriated the entire \$37,000,000 for flood control, leaving not one dime for reclamation. I do not think there is a Member on the floor from a reclamation State who will object to the taking of the entire \$37,000,000 for flood control.

I call attention to the fact that not one dime that is spent for flood control will ever come back to the Treasury of the United States, except as it promotes the general welfare of the whole country. By reason of that fact I am in sympathy with flood control and will support this item. I call attention further to the fact that not one dime is appropriated for reclamation that is not contracted to be repaid into the Federal Treasury, and ultimately will be repaid.

We from the reclamation States are willing to go along with your flood control. We are willing to give you the entire \$37,000,000 recommended by the President; but we ask, Mr. Chairman, when the conference report on the Interior appropriation bill comes back here for consideration in a few days, and when the question comes up of adding a few million dollars to the reclamation fund, every dime of which comes from the reclamation and the public-land States, that we may have reciprocated on your part the same generosity we are willing to extend today.

Mr. WHITTINGTON. Will the gentleman yield?

Mr. MURDOCK of Utah. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. Is the gentleman aware of the fact that more than \$37,000,000 of this money appropriated for flood control will be spent in States classed as reclamation States, including California, New Mexico, Oregon, and other reclamation States?

Mr. MURDOCK of Utah. Yes.

Mr. WHITTINGTON. Those States will get more than \$37,000,000 out of the flood-control money.

Mr. MURDOCK of Utah. But there is a group of States in the Rocky Mountains that does not get any flood control and its very existence is dependent upon reclamation. Every dime that goes into the reclamation fund comes from the reclamation States; so that next week when there is brought in here the conference report on the Interior appropriation bill, we want the flood-control Members to give us the same treatment that we today are willing to extend to you and that we always extend in the consideration of appropriations for flood control.

Mr. JENKINS of Ohio. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I should like to ask the chairman of the Subcommittee on Appropriations a question. I hold in my hand a copy of the hearings, and on page 150 I notice a long list of figures. There is listed a certain group of figures and it is stated that they are based upon a \$1,000,000 survey. Then there is another list of figures and it is stated that those figures are based on the \$4,000,000 survey. I also notice that the figures are alike in some cases and in other cases they are different. What is the reason for those two columns there? What is the significance of those two columns?

Mr. SNYDER of Pennsylvania. The first column is a break-down based upon the Budget estimate. The second column would be the break-down if the appropriation were made on the basis of the estimate, except that \$4,000,000 instead of \$1,000,000, would be applied to survey work.

Mr. JENKINS of Ohio. As I stated before, I notice that the figures in the two columns running down the first page are about the same. Going on down the second page there is some difference. I do not quite understand the gentleman's explanation yet. Where is the total of \$82,000,000 reflected? In which one of these sets of figures is that \$82,000,000 reflected? Neither column of figures, so far as I am able to determine, make up a total of \$82,000,000.

Mr. SNYDER of Pennsylvania. There is no break-down of the \$32,000,000 added by the committee.

Mr. JENKINS of Ohio. The figures are not very helpful then as against the total of \$82,000,000?

Mr. SNYDER of Pennsylvania. No; the employment of the additional amount remains to be determined by the Army engineers, subject to approval by the President.

Mr. JENKINS of Ohio. They are only probative and valuable, then, whenever you consider the \$50,000,000 appropriation, is that right?

Mr. SNYDER of Pennsylvania. Yes.

Mr. HOFFMAN. Mr. Chairman, I move to strike out the last word.

Mr. HOFFMAN. Mr. Chairman, the majority Members of the House may be interested in knowing that information was given me today from a reliable gentleman to the effect that an employee of the Labor Board is making a false and unfair attack not upon a Republican Member but upon a Member on the majority side.

Sometime ago the gentleman from Missouri [Mr. ANDERSON] submitted to this House information concerning the activities of Miss Dorothea de Schweinitz, regional director of the National Labor Relations Board in St. Louis. He charged that employees in her office had told workers they must join a particular labor union. She denied it. Later, the gentleman from Missouri [Mr. ANDERSON] produced affidavits, as well as sworn testimony, that she did urge St. Louis workers to abandon one union and join another.

Since that time, Miss de Schweinitz has been contacting labor leaders in St. Louis, asking them to help defeat Mr. ANDERSON for reelection because he is "unfriendly" to labor. Yet Mr. William Green, president of the American Federation of Labor, requested that organization to support Mr. ANDERSON and endorsed him.

However the Members of the House may feel regarding the activities of the N. L. R. B. in favoring the C. I. O. to the detriment of the A. F. of L., is it not about time that the House should take some action to protect its Members from political attacks made by an employee of that Board? Is it not time that the House, the majority leadership, recognize the fact that those who venture to criticize the C. I. O. or the improper activities of the N. L. R. B. are protected from political retaliation?

Republicans—I speak only for myself—expect no such protection from such activities, but surely the majority, which refuses to amend the Wagner law, which takes no action against the partisan activities of the N. L. R. B., should protect Democrats at least from these unfair and untrue attacks.

The gentleman from Missouri [Mr. ANDERSON] is known here on the floor of the House as a friend of labor, and an employee of the National Labor Relations Board should not be permitted to crucify him because of his fearless exposure of some of its reprehensible practices.

I speak of this only so you may know not only that the activities of the employees of that Board are directed to the securing of members for one particular union but that the efforts of one of the employees is directed toward defeating a Member on the majority side.

The pro forma amendments were withdrawn.

The Clerk concluded the reading of the bill.

Mr. SNYDER of Pennsylvania. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. DOXEY, Chairman of the Committee of the Whole House on the state of the Union, reported that the Committee, having had under consideration the bill (H. R. 10291) making appropriations for the fiscal year ending June 30, 1939, for civil functions administered by the War Department, and for other purposes, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. SNYDER of Pennsylvania. Mr. Speaker, I move the previous question on the bill and all amendments thereto to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. St. Claire, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9544) entitled "An act making appropriations for the Departments of State and Justice and for the judiciary, and for the Department of Commerce and Labor, for the fiscal year ending June 30, 1939, and for other purposes."

The message also announced that the Senate agrees to the amendment of the House to the amendment of the Senate numbered 51 to the foregoing bill.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8993) entitled "An act making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1939, and for other purposes."

ORDER OF BUSINESS

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. RAYBURN. Mr. Speaker, when the House of Representatives does a good job I like to say so. Today we have passed the last of the regular appropriation bills. [Applause.] This is the 21st of April. Only one time since the enactment of the Norris or so-called lame-duck amendment has the House completed the appropriation bills earlier than the 21st of April, and then they were completed 2 days earlier, on April 19.

It is my intention before the session closes not only to call attention to the diligence of the House at this session with

reference to appropriation bills but to place in the RECORD a list of the bills, and a discussion of the major bills, that have been passed in this session of Congress. I believe this session of Congress in these less than 4 months will measure up to if not surpass, as far as passing upon major legislation is concerned, any session of Congress of which I have been a Member. [Applause.]

EXTENSION OF REMARKS

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a letter from the chairman of the Federal Home Loan Bank Board.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on the conference report on the Interior Department appropriation bill and include therein a letter received from the Attorney General.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. MAY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD, and include therein a list of projects for needed Army housing, as furnished by the War Department.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD, and include therein certain excerpts from the so-called National Consumers News.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BOILEAU. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD, and include therein a radio address by my colleague the gentleman from Wisconsin [Mr. WITHROW].

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. STEFAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a radio address delivered by myself.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. HULL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein resolutions adopted by the Farmers Equity Union Convention at Chippewa Falls, Wis.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

ORDER OF BUSINESS

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 30 seconds.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, I should like to ask the majority leader what is on the calendar for Monday.

Mr. RAYBURN. Mr. Speaker, I have not yet been informed whether the Committee on the District of Columbia has any business to consider. If they have not, or if they have some business and it is completed, we will take up the conference report on the independent offices appropriation bill.

Mr. MARTIN of Massachusetts. That is the one which includes the so-called Gilbertsville Dam.

Mr. RAYBURN. The Gilbertsville Dam, and the amendment inserted by the Senate with reference to confirmation of all employees receiving salaries above \$5,000.

I may say to the gentleman that it is the intention to take up on Tuesday the conference report on the Interior Department appropriation bill, about which I understand there is no controversy, and follow that with the so-called Scott bill, having to do with the retirement of naval officers.

On Wednesday we will call the calendar of committees, and the call rests with the Committee on Patents. When we complete the consideration of the Scott bill on Tuesday we hope to take up the rivers and harbors authorization bill for general debate and complete its consideration on either Wednesday or Thursday. I may say further that if we have time late in the week and can get a rule it is the intention to consider the so-called increase of judges bill. That is the program for next week.

Mr. TABER. Does the gentleman realize that with respect to the Interior Department appropriation bill there is coming back in disagreement an amendment which will take out of the Treasury and put into the reclamation fund approximately \$729,000,000, and that probably that bill will take all the afternoon?

Mr. RAYBURN. I did not know that.

EXTENSION OF REMARKS

Mr. CULKIN. Mr. Speaker, I ask unanimous consent to extend the remarks I made today and to include therein a letter from the superintendent of public works of New York State.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. JENKINS of Ohio. Mr. Speaker, I ask unanimous consent to extend my remarks by including two short addresses recently delivered by me.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. SNELL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing a short editorial from the New York Times.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. SPARKMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a very short excerpt from a court finding and also from a magazine article regarding Gilbertsville Dam.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mrs. NORTON. Mr. Speaker, I ask unanimous consent to proceed for one-half minute.

The SPEAKER. Is there objection to the request of the gentlewoman from New Jersey?

There was no objection.

Mrs. NORTON. Mr. Speaker, your Committee on Labor has favorably reported Senate 2475, with an amendment. The bill and report will be available in the document room tomorrow morning for the Members who care to see them.

ADJOURNMENT OVER

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER. Under the special order of the House heretofore entered the gentleman from New York [Mr. DICKSTEIN] is recognized for 20 minutes.

Mr. DICKSTEIN. Mr. Speaker, I am happy, in a way, that you are sitting in the chair so that the remarks I propose to make will be heard by you in person, and I am also glad of this opportunity to address myself to the House through you.

A week ago I had occasion to make a speech on the floor of this House in which I warned the Congress of the United

States against the un-American activities of subversive movements and their spy system, as well as against the espionage being carried on in the United States. The only answers I have received to my plea came from thousands and thousands of American citizens, as well as many patriotic organizations.

The speech that I made last week, Mr. Speaker, is reported in the CONGRESSIONAL RECORD of April 12, 1938, at page 5336. A part of that speech I will now quote, Mr. Speaker. I stated on page 5336, and I want the Members to listen to this carefully:

Mr. Speaker, there is going to be a celebration on April 20 throughout this country. A celebration for what? To celebrate the conquest of Austria by Mr. Hitler and the birthday of the great "fuhrer." I warn the country and I warn the Congress that there will be bloodshed in those sections of the country where this movement gets under way. There will be trouble with these Nazi bunds, which, as I stated sometime ago, total over 450,000.

Unfortunately this prediction, Mr. Speaker, came true last night when a riot took place in my city between the American Legion boys and the alien Nazi storm troopers. There was bloodshed, and I again predict that there will be bloodshed in every section of the country where the Nazi bunds are carrying on their un-American activities.

You do not have to be much of a prophet to understand that. When I predicted the condition that would arise yesterday, it was from information from American Legionnaires and other good Americans who were warning Congress that unless something is done by Congress to investigate this intolerable condition, some of them would take the law in their own hands. That is exactly what happened in New York when dozens of men were hurt and injured, men and women had to be taken to the hospital. It took one hundred-and-some-odd policemen in the city of New York to stop the riot, and at that it took almost 2 hours to do it.

I notice by the press today that the Nazi bund leader or the assistant leader, James Wheeler Hill, who is known as the national secretary, wired Speaker BANKHEAD demanding that I be investigated because I predicted last week what would happen on the 20th of this month, and in that way by inference implying that I arranged the slaughter which took place last night. I assure the Congress and the Speaker that I had no more to do with it than you did. I have simply taken the ordinary deductions from information that I have received, not only from my city, but from the Speaker's city, from the city of the chairman of the Committee on Accounts, and from cities of many other Members. I say to you that I have the endorsement for an investigation of subversive activities from almost every section of the country. I again warn this Congress, and I appeal to the Speaker of the House, that someone will be responsible if this Congress adjourns without having adopted a proper investigating resolution.

I do not want to come here next year and say "I told you so." I am serving notice upon the Congress now and in serving that notice I know I can safely say that I speak for the American people. Only this morning I noticed a press release in the Washington Times and I ask unanimous consent that the Clerk read this editorial, which is very brief and to the point.

The SPEAKER pro tempore (Mr. GARRETT). Without objection the Clerk will read.

There was no objection and the Clerk read as follows:

[From the Washington Times of April 21, 1938]

LEGION HEAD DEMANDS BAN ON NAZIS AND ALL "ISMS"

WOBBURN, MASS., April 21.—National Commander Daniel J. Doherty of the American Legion today urged that Nazi-ism, and all other "isms," be barred from the United States.

Declining direct comment on the clash between World War veterans and members of the German-American Bund in New York last night, pending receipt of official reports, Commander Doherty declared:

"I will say this. We of the American Legion are against all subversive activities. I think it is time the American people awakened to the danger from within as well as from without.

"The American Legion has legislation pending in Congress to do away with such subversive organizations. It is time they were outlawed."

With obvious reference to storm troopers uniforms affected at many of the bund meetings, Doherty added:

"I can see no reason for men drilling in uniforms bearing the flag of another nation while purporting to display their Americanism."

"Congress should awaken to the danger and pass legislation prohibiting such organizations as Nazi bund camps—the sooner this is done the sooner we will be rid of the danger to democracy."

"No other country in the world would permit such meetings which, instead of being dictated by free speech, in fact become licensed."

Mr. DICKSTEIN. Mr. Speaker, what actually did happen yesterday? One of the fine Americans, a member of the American Legion, was attacked at a public Nazi bund meeting. When they told the public that they had been waiting for Hitler for 2,000 years and that a democracy means nothing, this member of the American Legion stood up, and, by the way, his name is Matthews, and I do not know who he is, and said, "What is this, an American meeting or a foreign meeting?" or words to that effect, and when he said that a Nazi storm trooper, in uniform, took out a black-jack, or something similar, and struck this American on the head, injuring him severely. Then the fight started. Everyone that participated in this assault on the side of the Nazis was dressed in a foreign uniform and carried dangerous weapons in his pockets. They were fighting Americans in behalf of Hitler, international world enemy No. 1. And we tolerate it, and you tolerate it, and the leadership of this Congress tolerates it, because some Members of Congress want to save a few pennies that might have to be spent for an investigation. Maybe they think that will balance the Budget. If that is the way they are going to balance the Budget, that is, by saving a few pennies while letting this country be destroyed by foreign groups, then I shall go out with a tin bucket and make a collection for an investigation, if that is what they want. In the last month, Mr. Speaker, a Nazi named John B. Unkel, was attacking me through the German subsidized press, calling me all sorts of names.

That very man, on April 8, was arrested as a spy and is now under lock and key as I am informed. As I have stated to you before, hundreds of spies are walking the streets of this city, of your city, of my city, who seek to destroy this Government in one way or another. I am in position to obtain this information had I but the power of subpoena and the power to give immunity to these so-called witnesses who are prepared to give the Department of Justice and the Secret Service the names by which and under which they could pick the spies up and put them in jail, where they properly belong.

I expect another riot pretty soon in Camp Upton. That was one of the first Nazi camps in New York established with German money. During 1917 and the World War this camp was used to train thousands, yes, hundreds of thousands, of American boys to protect democracy and free the world from tyranny. Yet today we find that this very spot has been purchased by Hitler's agents and is being used as a Nazi-Hitler camp. By the way, Mr. Speaker, they have opened a new street in this camp. They are going to dedicate this street as Adolph Hitler Strasse, Adolph Hitler Street, and there is going to be a celebration on that occasion. I have been informed, not only by Legionnaires but other groups of patriots, that if the Government cannot control the situation, if Congress wants to be blind, they will have to do something about it themselves. If Mr. Hill, the acting leader in the absence of Fritz Kuhn, thinks I had something to do with arranging this bloodshed last night, he is wrong. If I had the spiritual power to do such things without my conscious self knowing of it, then indeed it is a strange power. I am not a bit sorry over what happened, except for the Americans that were injured, and I am afraid it is going to happen again in your city and in my city. We cannot let that go on; we must act now.

I hold in my hand a little sort of program. This is a secret program containing pictures of all so-called leaders and all the other Nazi rats we have in this country, in addition to an outline of their duties for the year 1938, the

number of new members they should get in, and the people they should attack; because, if you do not join that bund, if you happen to be a person of German blood and they know you have relatives on the other side, those relatives are going to the concentration camp unless you actually join this movement in this country.

Suppose I tell you that there are over 100 American firms, so-called 100-percent Americans, who have been contributing hundreds of thousands of dollars to make this country a Fascist country! Suppose I tell you, Mr. Speaker—and I want you to hear it—that outstanding firms in this country have contributed, to my own knowledge, thousands of dollars to carry on this menace in this country against the American people, because they have a little interest in Germany and if they do not contribute here they claim that their property in Germany would be confiscated.

Do you not think, Mr. Congressman, that you ought to know something about these things? Do you not think, Mr. Congressman, and you, Mr. Speaker, that you ought to know how much money is being brought into this country for the purpose of destroying your Government? Do you know, Mr. Speaker, and gentlemen of the House, that Mr. Goebbels, the Propaganda Minister of Germany, has appropriated \$100,000,000 for propaganda purposes, at least \$40,000,000 of which is being used in this country for propaganda which seeks to undermine our form of government?

Are you willing to go back to your constituents and say: "Well, I do not know anything about it?" I have been talking about it for 4 years. When I began talking about it you all thought I was exaggerating. But you have seen it come true every day in the week and every week in the year.

For your information, Mr. Speaker, and for the information of the delegation from New Jersey—and, by the way, the delegation in Congress from Pennsylvania and other States ought to wake up, too—I have a number of resolutions from innumerable groups from all sections of the country demanding that something be done immediately. I say to you that the time will come when your constituents will ask you how you stand on this question, for they ask me every day: "What is my Congressman doing; is he supporting you?"

Mr. Speaker, only a week ago certain Nazi groups in this country purchased another camp in the city or town of Bloomington, State of New Jersey, under the guise of fighting communism. Do we need Hitler to fight communism for Uncle Sam? Is not Uncle Sam capable enough to fight communism in this country? This will make the thirty-first camp in this country. Since when has Hitler become so generous as to spend money to create these camps and an army of a half million to fight communism in another country? Can we not take care of it ourselves? Since when have they the right to come here and tell us how to run our Government and our country? Since when have we allowed them to attack the President of the United States as they did yesterday and other days when they criticized the President and Mr. Hull for the proclamation in reference to the so-called refugees? That, by the way, was the reason the second fight started. Since when have we permitted them to say that our democracy does not mean a thing, while fascism meets with their approval?

[Here the gavel fell.]

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent to proceed for 5 additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. DICKSTEIN. Mr. Speaker, it has become worse since the treaty has been made with Japan, and I refer to the treaty between Japan, Italy, and Germany. The agents of these countries are working side by side and arm in arm in the United States. They also have the White Russian Fascists joining forces with them. The White Russian Fascists want to destroy the Soviet Government. It is all being hatched in this country. The Nazis want to destroy this country. Japan is trying to destroy the world. Yet we

say it cannot happen here. But it can happen here. It is happening right now under our very noses. I am not so much worried about the Communists as I am about the Fascists. I can handle the Communists and, may I say right here, the Communists and the Fascists are both cousins. It does not make much difference.

Mr. Speaker, we must wake up because every day we read the newspapers, we find that there is some group or another advocating the destruction of democracy and substituting therefor some other form of government. The gentleman from Texas [Mr. DRES] has introduced a resolution which is now pending before the Rules Committee. Too many Members have been passing the buck. While everybody says, "I am for you 100 percent," nobody does anything about it. Public opinion demands an investigation and public opinion will request that you take some action.

As I stated before, I have endorsements and communications from organizations in your city, Mr. Speaker, from your city, Mr. McCORMACK, from your city, Mr. CULLEN, and from other cities asking me what to do, but I am helpless unless you cooperate with me, and I am sure you will as you have in the past. Unfortunately I got into this investigation because I happened to be chairman of the Committee on Immigration, and these facts were brought to my attention. I would not be true to my oath of office if I did not follow this thing through and advise the country of what is going on.

Mr. Speaker, in conclusion I appeal to you. If the Nazis want to investigate me, give them an investigation. I am willing to be investigated. But include in the investigation all the Nazis, all the Communists, all the Fascists, and all the spies. Let us find out by what authority they smuggle uniforms into this country, by what authority they goose-step and "Heil Hitler," click their heels together and threaten the lives of American people if they do not join a bund or some other un-American movement. [Applause.]

[Here the gavel fell.]

EXTENSION OF REMARKS

Mr. BOREN. Mr. Speaker, I ask unanimous consent that my colleague, the gentleman from Oklahoma [Mr. SMITH], may extend his own remarks in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. CARTWRIGHT and Mr. CLASON asked and were given permission to extend their own remarks in the Record.

Mr. VOORHIS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and to include therein a resolution passed by the Charles A. Lindbergh Camp of the United Spanish War Veterans.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. VOORHIS. Mr. Speaker, I also ask unanimous consent to extend my own remarks in the Record and include therein a resolution passed by the California Legislature.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill and joint resolutions of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 9257. An act to extend the time for completing the construction of a bridge across the St. Clair River at or near Port Huron, Mich.;

H. J. Res. 463. Joint resolution to permit the transportation of passengers by Canadian passenger vessels between the port of Rochester, N. Y., and the port of Alexandria Bay, N. Y., on Lake Ontario and the St. Lawrence River; and

H. J. Res. 627. Joint resolution providing an additional appropriation for the Civilian Conservation Corps for the fiscal year ending June 30, 1939.

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 3590. An act to amend an act entitled "An act for making further and more effectual provision for the national defense, and for other purposes," approved June 3, 1916, as amended by the act of June 4, 1920, so as to make available certain other officers for General Staff duty.

ADJOURNMENT

Mr. SNYDER of Pennsylvania. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 51 minutes p. m.), under its previous order, the House adjourned until Monday, April 25, 1938, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of Mr. EICHER's subcommittee of the Committee on Interstate and Foreign Commerce at 10 a. m. Monday, April 25, 1938. Business to be considered: Hearing on H. R. 10292—trust indentures.

COMMITTEE ON THE CIVIL SERVICE

The Committee on the Civil Service will begin hearings on the general subject of civil-service retirement on Tuesday, April 26, 1938, at 10:30 a. m., in room 246, House Office Building.

COMMITTEE ON THE JUDICIARY

There will be a hearing before subcommittee No. 1 of the Committee on the Judiciary at 10 a. m. Wednesday, April 27, 1938, in room 346, House Office Building, for the consideration of H. R. 9745, to provide for guaranties of collective bargaining in contracts entered into and in the grant or loans of funds by the United States, or any agency thereof, and for other purposes.

COMMITTEE ON THE LIBRARY

The Committee on the Library will hold hearings at 10:30 a. m. on Wednesday, April 27, 1938, in room 1536, New House Office Building, on H. J. Res. 626—the Columbian Fountain.

COMMITTEE ON INSULAR AFFAIRS

There will be a meeting of the Committee on Insular Affairs in room 113, House Office Building, Tuesday, April 26, 1938, at 10:30 a. m., for the consideration of H. R. 10050, which authorizes the legislature of Puerto Rico to create public corporate authorities to undertake slum clearance and projects, to provide dwelling accommodations for families of low income, and to issue bonds therefor, to authorize the legislature to provide for financial assistance to such authorities by the government of Puerto Rico and its municipalities, and for other purposes.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1257. A letter from the Architect of the Capitol, transmitting the Annual Report of the Office of the Architect of the Capitol, for the fiscal year ended June 30, 1937; to the Committee on Public Buildings and Grounds.

1258. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 9, 1938, submitting a report, together with accompanying papers, on a preliminary examination of Brannan Reservoir, Okla., and levees on Chikaskia River south of Autwine, Okla., authorized by the Flood Control Act approved June 22, 1936; to the Committee on Flood Control.

1259. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 7, 1938, submitting a report, together with accompanying papers, on a preliminary examination of Pocomoke River, Md., from Snow Hill to deep water in Pocomoke Sound, authorized by the River and Harbor Act approved August 26, 1937; to the Committee on Rivers and Harbors.

1260. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 7, 1938, submitting a report, together with accompanying papers, on a preliminary examination of Choptank River, Md., authorized by the River and Harbor Act approved August 26, 1937; to the Committee on Rivers and Harbors.

1261. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 4, 1938, submitting a report, together with accompanying papers, on a preliminary examination of Tedious Creek, Md., authorized by the River and Harbor Act approved August 26, 1937; to the Committee on Rivers and Harbors.

1262. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 7, 1938, submitting a report, together with accompanying papers on reexamination of Chetco Cove, Oreg., requested by resolution of the Committee on Rivers and Harbors, House of Representatives, adopted August 5, 1937, and by resolution of the Committee on Commerce, United States Senate, adopted March 20, 1937; to the Committee on Rivers and Harbors.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. GOLDSBOROUGH: Committee on Banking and Currency. House Joint Resolution 655. Joint resolution amending paragraph (4) of subsection (n) of section 12B of the Federal Reserve Act, as amended; without amendment (Rept. No. 2169). Referred to the Committee of the Whole House on the state of the Union.

Mr. McLAUGHLIN: Committee on the Judiciary. H. R. 4650. A bill to amend section 40 of the United States Employees' Compensation Act, as amended; with amendment (Rept. No. 2170). Referred to the Committee of the Whole House on the state of the Union.

Mr. TOLAN: Committee on the Judiciary. H. R. 8700. A bill relating to the retirement of the justices of the Supreme Court of the Territory of Hawaii, judges of the circuit courts of the Territory of Hawaii, and judges of the United States District Court for the Territory of Hawaii; with amendment (Rept. No. 2171). Referred to the Committee of the Whole House on the state of the Union.

Mr. EICHER: Committee on Interstate and Foreign Commerce. S. 3081. An act authorizing the Secretary of Commerce to grant to the city of Fargo, N. Dak., an easement over a certain tract of land owned by the United States; without amendment (Rept. No. 2173). Referred to the Committee of the Whole House on the state of the Union.

Mr. BULWINKLE: Committee on Interstate and Foreign Commerce. S. 3290. An act to impose additional duties upon the United States Public Health Service in connection with the investigation and control of the venereal diseases; with amendment (Rept. No. 2174). Referred to the Committee of the Whole House on the state of the Union.

Mr. MAY: Committee on Military Affairs. H. R. 9760. A bill to amend the act of March 2, 1899, as amended, to authorize the Secretary of War to permit allotments from the pay of military personnel and permanent civilian employees under certain conditions; without amendment (Rept. No. 2176). Referred to the Committee of the Whole House on the state of the Union.

Mr. McGEHEE: Committee on the District of Columbia. H. R. 10004. A bill to amend an act entitled "An act to incorporate the Mount Olivet Cemetery Co., in the District of Columbia"; without amendment (Rept. No. 2177). Referred to the Committee of the Whole House on the state of the Union.

Mr. ROBINSON of Utah: Committee on the Public Lands. H. R. 10120. A bill to amend section 35 of an act entitled "An act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain," approved February 25, 1920 (41 Stat. 437), as amended,

and for other purposes; without amendment (Rept. No. 2178). Referred to the Committee of the Whole House on the state of the Union.

Mr. PALMISANO: Committee on the District of Columbia. House Joint Resolution 658. Joint resolution for the designation of a street or avenue to be known as "Maine Avenue"; without amendment (Rept. No. 2179). Referred to the House Calendar.

Mr. PALMISANO: Committee on the District of Columbia. H. R. 10312. A bill to amend section 3 of the act entitled "An act to protect the lives and health and morals of women and minor workers in the District of Columbia, and to establish a Minimum Wage Board, and to define its powers and duties, and to provide for the fixing of minimum wages for such workers, and for other purposes", approved September 19, 1918 (40 Stat. 960, Sixty-fifth Congress); without amendment (Rept. No. 2180). Referred to the Committee of the Whole House on the state of the Union.

Mr. SMITH of Connecticut: Committee on Military Affairs. H. R. 6246. A bill to provide for placing educational orders to familiarize private manufacturing establishments with the production of munitions of war of special or technical design, noncommercial in character; without amendment (Rept. No. 2181). Referred to the Committee of the Whole House on the state of the Union.

Mrs. NORTON: Committee on Labor. S. 2475. An act to provide for the establishment of fair labor standards in employments in and affecting interstate commerce, and for other purposes; with amendment (Rept. No. 2182). Referred to the Committee of the Whole House on the state of the Union.

Mr. HART: Committee on Merchant Marine and Fisheries. S. 2986. An act to amend section 6 of the act approved May 27, 1936 (49 U. S. Stat. L. 1380); with amendment (Rept. No. 2183). Referred to the Committee of the Whole House on the state of the Union.

Mr. BLAND: Committee on Merchant Marine and Fisheries. S. 3351. An act to amend the act of March 4, 1915, as amended, the act of June 23, 1936, section 4551 of the Revised Statutes of the United States, as amended, and for other purposes; with amendment (Rept. No. 2184). Referred to the Committee of the Whole House on the state of the Union.

Mr. O'LEARY: Committee on Merchant Marine and Fisheries. H. R. 9557. A bill to authorize the Secretary of Commerce to dispose of material of the Bureau of Lighthouses to the Sea Scout Department of the Boy Scouts of America; without amendment (Rept. No. 2186). Referred to the Committee of the Whole House on the state of the Union.

Mr. BLAND: Committee on Merchant Marine and Fisheries. H. R. 9707. A bill to authorize the conveyance of the old lighthouse keeper's residence in Manitowoc, Wis., to the Otto Oas Post No. 659, Veterans of Foreign Wars of the United States, Manitowoc, Wis.; with amendment (Rept. No. 2187). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. McGEHEE: Committee on the District of Columbia: H. R. 9556. A bill to incorporate the United States Power Squadrons, and for other purposes; without amendment (Rept. No. 2175). Referred to the Committee of the Whole House.

Mr. BLAND: Committee on Merchant Marine and Fisheries. Senate Joint Resolution 247. Joint resolution authorizing William Bowie, captain (retired), United States Coast and Geodetic Survey, Department of Commerce, to accept and wear decoration of the order of Orange Nassau, bestowed by the Government of the Netherlands; without amendment (Rept. No. 2185). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. FLETCHER: A bill (H. R. 10340) to promote the general welfare through the appropriation of funds to assist the States and Territories in providing more effective programs of public education; to the Committee on Education.

By Mr. COCHRAN: A bill (H. R. 10341) amending the act for the regulation of the practice of dentistry in the District of Columbia, and for the protection of the people from empiricism in relation thereto, approved June 6, 1892, and acts amendatory thereto; to the Committee on the District of Columbia.

By Mr. PETERSON of Florida: A bill (H. R. 10342) to provide for a preliminary survey and examination of Allapatchee River, also known as Alligator Creek, a tributary to Punta Gorda Bay, Fla.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 10343) to extend the provisions of the civil-service laws to full-time chaplains in the Veterans' Administration; to the Committee on the Civil Service.

By Mr. CARTWRIGHT: A bill (H. R. 10344) to provide for the restoration of forfeited rights under veterans' compensation and pension laws and for other purposes; to the Committee on World War Veterans' Legislation.

By Mr. LEAVY: A bill (H. R. 10345) to amend the Social Security Act to provide for matching equally the sums expended by the States for aid to dependent children; to the Committee on Ways and Means.

By Mr. STEFAN: A bill (H. R. 10346) to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Niobrara, Nebr.; to the Committee on Interstate and Foreign Commerce.

By Mr. SMITH of Virginia: A bill (H. R. 10347) providing for a survey with preliminary estimates of cost for the proposed construction of railroad and automobile truck tunnels across the Potomac River; to the Committee on Public Buildings and Grounds.

By Mr. SADOWSKI: A bill (H. R. 10348) to amend section 313 of the Communications Act of 1934; to the Committee on Interstate and Foreign Commerce.

By Mr. DIMOND: A bill (H. R. 10349) to amend sections 6 and 7 of the act entitled "An act for the retirement of employees of the Alaska Railroad, Territory of Alaska, who are citizens of the United States," approved June 29, 1936; to the Committee on the Civil Service.

By Mr. MAVERICK: A bill (H. R. 10350) to provide aeronautical training at land-grant colleges, high schools, and private institutions, in the same manner as now provided for military education, and to further promote civil and military flying by establishing the United States Aeronautical Academy for the training of cadets and officers in military aeronautics, said academy to be upon a basis of equal dignity, importance, and scientific and tactical standing as the United States Military Academy and the United States Naval Academy; to the Committee on Military Affairs.

By Mr. MOTT: A bill (H. R. 10351) to extend the times for commencing and completing the construction of a bridge across the Columbia River at Astoria, Clatsop County, Oreg.; to the Committee on Interstate and Foreign Commerce.

By Mr. McLEAN: A bill (H. R. 10352) for the purchase of Boxwood Hall, Elizabeth, N. J.; to the Committee on Public Buildings and Grounds.

By Mrs. NORTON: A bill (H. R. 10353) to provide for the transfer of United States Employment Service records, files, and property in local offices to the States; to the Committee on Labor.

By Mr. WALTER: A bill (H. R. 10354) to reduce the rate of interest on loans secured from the Government on Government life-insurance policies; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 10355) to transfer, assign, and convey to the Commonwealth of Pennsylvania a certain tract of land, containing about 6½ acres, situate in Tinicum Town-

ship, Delaware County, Pa.; to the Committee on Public Buildings and Grounds.

By Mr. WHITE of Idaho: A bill (H. R. 10356) to amend sections 811 (b) and 907 (c) of the Social Security Act; to the Committee on Ways and Means.

By Mrs. NORTON: A bill (H. R. 10357) to alter the ratio of appropriations to be apportioned to the States for public employment offices affiliated with the United States Employment Service; to the Committee on Labor.

By Mr. STEAGALL: A bill (H. R. 10358) to fix the requirements of capital, surplus, and undivided profits of banks in proportion to their deposits, and for other purposes; to the Committee on Banking and Currency.

By Mr. BOREN: A bill (H. R. 10359) providing for per capita payments to the Seminole Indians in Oklahoma from funds standing to their credit in the Treasury; to the Committee on Indian Affairs.

By Mr. LAMBETH: Resolution (H. Res. 469) authorizing the printing of the Rules and Manual of the House of Representatives; to the Committee on Printing.

By Mr. McREYNOLDS: Joint resolution (H. J. Res. 659) to authorize an appropriation for the expenses of participation by the United States in the Third Pan American Highway Conference; to the Committee on Foreign Affairs.

Also, joint resolution (H. J. Res. 660) to authorize and request the President of the United States to invite the International Union of Geodesy and Geophysics to hold its seventh general assembly in the United States during the calendar year 1939, and to invite foreign governments to participate in that general assembly; and to authorize an appropriation to assist in meeting the expenses necessary for participation by the United States in the meeting; to the Committee on Foreign Affairs.

By Mr. SMITH of Oklahoma: Joint resolution (H. J. Res. 661) proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BUCKLER of Minnesota: A bill (H. R. 10360) for the relief of Beltrami Consolidated Abstract Co.; to the Committee on Claims.

By Mr. COX: A bill (H. R. 10361) for the relief of George Cravey; to the Committee on Military Affairs.

By Mr. HART: A bill (H. R. 10362) for the relief of Patrick Connelly, Inc., a corporation of the State of New Jersey; to the Committee on Claims.

By Mr. PETERSON of Florida: A bill (H. R. 10363) for the relief of Maj. Noe C. Killian; to the Committee on Claims.

By Mr. REECE of Tennessee: A bill (H. R. 10364) granting a pension to Oscar K. Shell; to the Committee on Pensions.

By Mr. SMITH of Virginia: A bill (H. R. 10365) for the relief of Ben Willie Jones; to the Committee on Claims.

Also, a bill (H. R. 10366) granting an increase of pension to Katharine H. Fuller; to the Committee on Pensions.

By Mr. TAYLOR of Tennessee: A bill (H. R. 10367) for the relief of William J. Murr; to the Committee on Military Affairs.

Also, a bill (H. R. 10368) granting a pension to Ben Harrison Martin; to the Committee on Pensions.

By Mr. THURSTON: A bill (H. R. 10369) granting an increase of pension to Mary L. Bobenhouse; to the Committee on Invalid Pensions.

By Mr. WHELCHER: A bill (H. R. 10370) for the relief of Phil S. Wade; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

4890. By Mr. CLASON: Memorial of the General Court of Massachusetts, in opposition to the inclusion of furni-

ture and toys in any reciprocal-trade agreements made with foreign countries; to the Committee on Ways and Means.

4891. By Mr. COFFEE of Washington: Resolution of the Monthly Forum, of Chicago, Ill., Nan Brody, secretary, pointing out that it is desirable that the Federal Government should promote culture, literature, and the appreciation thereof, and therefore urging that the Congress pass the Coffee bill (H. R. 9102) to create a Federal Bureau of Fine Arts; to the Committee on Education.

4892. Also, resolution of the South End Improvement Club, of Mercer Island, Wash., Mrs. Alfred J. Fleury, secretary, urging the President of the United States, the Congress, and the Works Progress Administration to increase the allocation of nonlabor funds for the Works Progress Administration purposes to \$15 per man-month; to the Committee on Appropriations.

4893. By Mr. CONNERY: Resolution of the General Court of Massachusetts, memorializing the Federal Department of States in opposition to the inclusion of furniture and toys in any reciprocal-trade agreements made with foreign countries; to the Committee on Ways and Means.

4894. By Mr. HOPE: Petition of Mrs. H. A. Terrell and 39 others, of Syracuse, Kans., urging the enactment of a law to prohibit the advertising of alcoholic beverages by the press and radio; to the Committee on Interstate and Foreign Commerce.

4895. By Mr. KEOGH: Petition of the Rome Chamber of Commerce, Rome, N. Y., concerning the revision of the capital-gains tax and undistributed-profits tax; to the Committee on Ways and Means.

4896. Also, petition of Philippines Post, No. 1164, American Legion, Brooklyn, N. Y., concerning the passage of legislation toward the end that all Filipino World War veterans may automatically become citizens of the United States; to the Committee on Immigration and Naturalization.

4897. Also, petition of the Wholesale Tobacco Distributors Association of New York, concerning the Senate amendment to the revenue bill, placing a tax on paper matches, etc.; to the Committee on Ways and Means.

4898. By Mr. KRAMER: Resolution of the Senate and the Assembly of the State of California, relative to memorializing the President and Congress to provide all necessary aids to night air navigation; to the Committee on Interstate and Foreign Commerce.

4899. Also, resolution of the Assembly and Senate of the State of California, relative to Federal tax on oil; to the Committee on Ways and Means.

4900. Also, resolution of the Senate and Assembly of the State of California, relative to memorializing Congress concerning the tariff on tungsten and tungsten products; to the Committee on Ways and Means.

4901. Also, resolution of the Southern California District Council, No. 4, of the Maritime Federation of the Pacific Coast, relative to the adoption of House bill 8430; to the Committee on Military Affairs.

4902. Also, resolution of the Assembly and Senate of the State of California, relative to aliens in America; to the Committee on Immigration and Naturalization.

4903. Also, resolution of the Senate and Assembly of the State of California, relative to memorializing the President and Congress of the United States to enact House bill 9256, relative to reimbursement by the Federal Government to States and counties for expenditures in behalf of nonresidents; to the Committee on Appropriations.

4904. By Mr. MERRITT: Resolution of the Central Labor Council of Buffalo, urging Congress to appropriate at least \$5,000,000,000 for speeding up and completing Public Works Administration and Works Progress Administration projects; a liberalization of rules governing unemployed persons eligible for employment; and at least 10 percent of all moneys spent by Public Works Administration and Works Progress Administration be spent for skilled labor at prevailing rate of wages; to the Committee on Appropriations.

4905. Also, resolution of the James T. Bergen Post, No. 39, of the American Legion, requesting the Secretary of the

Navy to name one of the cruisers about to be constructed *Amsterdam* in respect to our pioneer Americans and to the credit of our industrial progress; to the Committee on Naval Affairs.

4906. Also, resolution of the Central Civic Association of Hollis, Long Island, earnestly requesting the early enactment into law of House bill 2717; to the Committee on the Post Office and Post Roads.

4907. Also, resolution of the Queens County Council of the Veterans of Foreign Wars, that when veterans employed at the Brooklyn Navy Yard are discharged through lack of work and later return to the yard after a period of 30 days has elapsed, that they shall return with none of the benefits or credits impaired; to the Committee on the Civil Service.

4908. Also, resolution of the Philippines Post, No. 1164, of the American Legion, Brooklyn, N. Y., favoring the passage of legislation toward the end that all Filipino World War veterans now excluded in the extension of Veterans' Act (Public Law, 388) may automatically become citizens of the United States; to the Committee on Immigration and Naturalization.

4909. By Mr. PFEIFER: Petition of the American Legion, New York City, advocating the retention of all post exchanges without restriction; to the Committee on Military Affairs.

4910. By Mr. LEAVY: Resolution of the Wenatchee Central Labor Council, of Wenatchee, Wash., requesting and urging modifications and amendment of existing Works Progress Administration legislation governing classifications and wage rates to Works Progress Administration workers and urging that there be only one classification for all Works Progress Administration workers; to the Committee on Labor.

4911. By Mr. PFEIFER: Telegram of the Wholesale Tobacco Distributors Association of New York, Inc., New York City, opposing Senate recommendation for additional tax on paper matches; to the Committee on Ways and Means.

4912. Also, petition of the Paper Plate and Bag Makers Union, Local No. 107, New York City, concerning the recovery program recently submitted by the President; to the Committee on Ways and Means.

4913. By Mr. RICH: Petition of citizens of Shinglehouse, Pa., favoring House bill 10058; to the Committee on Merchant Marine and Fisheries.

4914. By the SPEAKER: Petition of Mr. Bradshaw and others of Wood County, Ohio, concerning advertising campaign for the sale of alcoholic beverages by press and radio; to the Committee on Interstate and Foreign Commerce.

4915. Also, petition of the city of Manchester, N. H., petitioning consideration of their resolution with reference to House bill 4199, the General Welfare Act of 1937; to the Committee on Ways and Means.

SENATE

MONDAY, APRIL 25, 1938

(Legislative day of Wednesday, April 20, 1938)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Thursday, April 21, 1938, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. LEWIS. Mr. President, I feel the situation demands that I announce the absence of a quorum, and ask for a roll call to secure one.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Bankhead	Brown, N. H.	Byrnes
Andrews	Barkley	Bulkeley	Caraway
Ashurst	Bilbo	Bulow	Chavez
Austin	Bone	Burke	Clark
Bailey	Borah	Byrd	Copeland

Davis	Hayden	Maloney	Schwellenbach
Dieterich	Herring	Miller	Sheppard
Donahay	Holt	Milton	Shipstead
Duffy	Hughes	Minton	Smathers
Ellender	Johnson, Colo.	Murray	Smith
Frazier	King	Neely	Thomas, Okla.
George	Lee	Norris	Thomas, Utah
Gibson	Lewis	Nye	Truman
Gillette	Lodge	O'Mahoney	Tydings
Glass	Logan	Overton	Vandenberg
Green	Loung	Pittman	Van Nuys
Guffey	Lundeen	Pope	Wagner
Hale	McCarran	Radcliffe	Walsh
Harrison	McGill	Reynolds	Wheeler
Hatch	McNary	Schwartz	White

Mr. LEWIS. I announce that the Senator from Oregon [Mr. REAMES] is detained from the Senate because of illness.

The Senator from South Dakota [Mr. HITCHCOCK], the Senator from California [Mr. McADOO], and the Senator from Georgia [Mr. RUSSELL] are detained in their respective States on official business.

I further announce that the Senator from Tennessee [Mr. BERRY], the Senator from Michigan [Mr. BROWN], the Senator from Texas [Mr. CONNALLY], the Senator from Alabama [Mr. HILL], and the Senator from Florida [Mr. PEPPER] are detained from the Senate on important public business.

The Senator from Tennessee [Mr. McKELLAR] is a member of the Board of Visitors to the United States Naval Academy, and is, therefore, detained from the Senate today.

Mr. McNARY. I announce that the Senator from Kansas [Mr. CAPPER] and the Senator from California [Mr. JOHNSON] are necessarily absent.

Mr. AUSTIN. I announce that the Senator from New Hampshire [Mr. BRIDGES] is absent because of illness, and the Senator from Delaware [Mr. TOWNSEND] is absent in the performance of official duty as a member of the Board of Visitors to the United States Naval Academy.

The VICE PRESIDENT. Eighty Senators have answered to their names. A quorum is present.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed a bill (H. R. 10291) making appropriations for the fiscal year ending June 30, 1939, for civil functions administered by the War Department, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

H. R. 3915. An act conferring jurisdiction upon the United States District Court for the Eastern District of Virginia to hear, determine, and render judgment upon the claim of the Tidewater Construction Corporation;

H. R. 5338. An act for the relief of George Shade and Vava Shade;

H. R. 5731. An act for the relief of Ruth Rule, a minor;

H. R. 5737. An act to confer jurisdiction on the Court of Claims to hear, determine, and render judgment upon the claim of George W. Hall against the United States;

H. R. 5793. An act for the relief of Nathaniel M. Harvey, as administrator of the estate of Josephine Fontana, deceased;

H. R. 6370. An act for the relief of John Calareso, a minor;

H. R. 8993. An act making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1939, and for other purposes; and

H. R. 9544. An act making appropriations for the Departments of State and Justice and for the judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1939, and for other purposes.